

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 Conference Call on Acquisition

Dear Sir/Ma'am,

Pursuant to Regulation 30 and other applicable regulations, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Transcript of Analysts/Investor Conference Call on Acquisition which was held on Friday, September 20, 2024.

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

This is for your information and records.

Thanking you,

Yours faithfully,

For **Lumax Auto Technologies Limited**

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

Encl: As stated above



“Lumax Auto Technologies Limited
Acquisition Update Conference Call”
September 20, 2024

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchanges on 20th September, 2024 will prevail



MANAGEMENT: **MR. ANMOL JAIN – MANAGING DIRECTOR – LUMAX AUTO TECHNOLOGIES LIMITED**
MR. DEEPAK JAIN – DIRECTOR – LUMAX AUTO TECHNOLOGIES LIMITED
MR. AKSHAY KASHYAP – MANAGING DIRECTOR – GREENFUEL ENERGY SOLUTIONS
MR. SANJAY MEHTA – DIRECTOR – LUMAX AUTO TECHNOLOGIES LIMITED AND GROUP CHIEF FINANCIAL OFFICER
MS. PRIYANKA SHARMA – HEAD, CORPORATE COMMUNICATIONS – LUMAX AUTO TECHNOLOGIES LIMITED
MR. ANKIT THAKRAL – CORPORATE FINANCE – LUMAX AUTO TECHNOLOGIES LIMITED

Moderator: Ladies and gentlemen, welcome to the Acquisition Update Call of Lumax Auto Technologies 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 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 a 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. Since the conference call today is regarding the acquisition, we request all to restrict questions and discussion to the acquisition only.

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

Anmol Jain: Thank you. A very good afternoon, ladies and gentlemen. A very warm welcome to our Acquisition Update Conference Call. Along with me on this call, from Lumax Technologies, I have Mr. Deepak Jain, Promoter Director; Mr. Sanjay Mehta, Group CFO; Ms. Priyanka Sharma, Head of Corporate Communications; Mr. Ankit Thakral from Corporate Finance. From Greenfuel Energy Solutions, I have Mr. Akshay Kashyap, the Managing Director; and along with SGA, our Investor Relations Advisors.

We have uploaded the press release and other requisite documents highlighting the details of the transaction. I do hope everybody has had a chance to go through the same. At Lumax Auto Technologies, our core strength lies in forging strategic partnerships with leading automotive component manufacturers both domestically and internationally. These organic and inorganic alliances facilitate the introduction of advanced technologies and a diversified product portfolio into the Indian automotive market. Over time, these collaborations have solidified our position as a key supplier in the automotive sector, helping us establish a strong and influential presence across the industry.

Furthering our vision, we are thrilled to announce another significant development of this strategic acquisition of, 60% stake in Greenfuel Energy Solutions alternate fuel business. This acquisition represents a transformative step for Lumax Auto Technologies and marks our foray into the green and alternate fuel segment. It paves the way for our future growth in sustainable solutions, aligning with our long-term goals and setting the stage for expanded opportunities in this rapidly growing sector. This business specializes in high-pressure fuel delivery and storage systems for CNG and hydrogen vehicles as well as fire and smoke detection systems for the automotive industry.

This acquisition strengthens our capabilities, diversifies our product portfolio, increases our per vehicle content and aligns with our commitment to providing advanced sustainable solutions to the market. Greenfuel Energy Solutions, based out of Gurugram and Haryana, is a prominent provider of clean mobility solutions for over 15 years, supported by robust and long-standing technology partnerships. Greenfuel has been a leader in sustainable mobility, serving as a Tier

1 supplier to prominent automotive OEMs including the likes of Maruti Suzuki, Tata Motors and Volvo Eicher vehicles.

This strategic partnership comes at a time when the CNG vehicle segment, specifically for passenger vehicles in India, is poised for a strong growth with key OEMs like Maruti Suzuki and Tata Motors already outlining aggressive expansion plans in this segment, along with other OEMs like Hyundai Motors also foraying into this space. Both Maruti Suzuki and Tata Motors has projected 33% and 25%, respectively, of their overall portfolio will be from the CNG by 2030. By joining forces with Greenfuel, we aim to capitalize on this growth potential and expand our portfolio to offer sustainable automotive solutions that will meet the evolving needs of both the industry and consumers.

Greenfuel's management team, under the able leadership of Mr. Akshay Kashyap, will continue to oversee the company's strategy and execution, ensuring seamless operations and driving future growth. With Greenfuel's strong product expertise and technology partnership, coupled with Lumax's strong customer relationships, manufacturing excellence and sound governance practices, we are well positioned to capitalize on the growing demand for green and alternative fuel systems and to create value.

Coming to the key deal contours. Greenfuel's equity has been valued at INR221 crores, of which Lumax Auto Technologies through its SPV will purchase a 60% stake for INR133 crores, subject to customary closing adjustments. This will be paid in cash funded by debt and internal accruals. The strong free cash flow generation in Greenfuel will ensure debt repayment within 5 years.

Revenue of Greenfuel's alternate fuels business stood at INR214 crores in FY '24. The business is expected to witness a 20%-plus growth in FY '25 and continue a strong growth path thereafter. The EBITDA margins for the business has consistently been in the high-teen percentages. The acquisition will be EPS and ROCE accretive for Lumax Auto Technologies on a consolidated basis.

Together with our new partners at Greenfuel, we are committed to delivering sustainable high-performance solutions that address the current market needs while positioning ourselves for future demand as well. With this, we open the floor for questions.

Moderator: Thank you. We will now begin the question-and-answer session. The first question is from the line of Amit Hiranandani with SMIFS Limited.

Amit Hiranandani: First of all, congratulations to the team for this attractive acquisition in the fast-growing CNG components market. Sir, my first few questions is to understand more about the business. So wanted to understand what all components are included in this acquisition and what is excluded. Secondly, how much is the import content for these acquired products? Thirdly, the most important thing is what is the capacity utilization of the acquired assets? And who are our top 3 customers and what is the contribution of the top 3 customers in the total revenue? And lastly, the present order backlog, how is it looking at present.

Anmol Jain: Thank you. The first question I will take is on the CNG, the products. As I mentioned, the products are specific to delivering the high-pressure system from the tanks to the engine.

Currently, we are strong on things like receptacles, which are already been there in mass production. We are also getting into the production of tube and fittings in due course. We are currently supplying both to the passenger vehicle space as well as the commercial vehicle space. So that's just a quick overview on the current product.

Apart from the CNG specific, as I mentioned, there are also certain safety critical components and systems more specifically for the commercial vehicle and the buses space, which we are currently doing in this company.

Amit Hiranandani: Sir, this doesn't include the batteries, right?

Anmol Jain: No. This does not include the EV battery business of the company.

Amit Hiranandani: My second question is basically how much of the import content in this product?

Akshay Kashyap: So today, we have localized a lot of the content. Having said that, we are still importing some critical products, which comes to about 50% of the value of the product.

Amit Hiranandani: And sir, what is the capacity utilization of the assets?

Akshay Kashyap: So the capacity utilization today stands between 65% and 70%.

Amit Hiranandani: And sir, our top 3 customers and what's the revenue contribution of these top 3 customers?

Anmol Jain: So the top customer is Maruti Suzuki, which would contribute close to about 45-odd percent of the total revenue for FY '24, followed by Tata Motors, which would be close to 18% to 20%; followed by Volvo Eicher commercial vehicles, which would be close to around 13%. These would be the top 3 customers. And then we also have players like ACGL which would contribute about another 7% to 8% and then a few miscellaneous customers, which would add up to the remaining pie, like Ashok Leyland etc.

Amit Hiranandani: Okay. And sir, how is the order backlog presently looking?

Anmol Jain: So I think we do have a strong order book with the few critical and important models which will be launched by the OEMs in the CNG space coming in this year as well as next financial year. As I said before, the outlook is that we would continue to drive growth around 20% to 25% at a CAGR level. And fundamentally, the two key growth drivers for this company, number one would be to increase the share of business from the present levels, improve the wallet share with key OEMs like Maruti Suzuki and Tata Motors. And the second growth driver would be increasing the per vehicle content from currently at about 20%, 25%, doubling it to 50% the minute we get into the tube and fittings mass production.

Amit Hiranandani: And sir, what was the share of business from Maruti Suzuki?

Anmol Jain: About 30%, 35% of the total Maruti buying would be from Greenfuel, so about one-third.

Amit Hiranandani: And our overall share in the CNG product is about 35%, right?

Akshay Kashyap: Okay. So if you see the content per vehicle, if you take all of it, it's about INR15,000. Today, our content per vehicle is about INR3,200. So that represents a 20% content per vehicle. If we see just the product and the component, for that component, we are about 35% market share.

So with the tube and fittings, our content per vehicle from around INR3000-INR3,200 per vehicle will climb up to close to around INR7,000 to INR8,000 a vehicle. And hence, I said the content per vehicle will go from 20% of the entire system to 50% of the entire system, which is INR15,000 on an average per vehicle.

Amit Hiranandani: Just secondly, sir, I was reading that Greenfuel has some technical collaboration. So can you please tell us more about this? And how is the arrangement and what services we get from this?

Anmol Jain: So we have a technical collaboration for the last more than 15 years with a German company called WEH Gas Technology. They were the original inventors of this product called The Receptacle. And we have a perpetual technical license agreement with them to manufacture their products locally in India.

Akshay Kashyap: And the agreement continues on an as-is basis. There will not be any changes to the agreement whatsoever with our technical partner.

Amit Hiranandani: So how much is the contribution of this product, receptacles, and the total revenue?

Anmol Jain: So that would be about one-third, a little over one-third.

Akshay Kashyap: About 40% of the revenues would come out of receptacles.

Amit Hiranandani: 40% of revenue coming. And sir, how is the royalty payment to this German company?

Akshay Kashyap: Yes. The royalty payment is made once in a quarter depending on the volumes for that quarter.

Amit Hiranandani: And is there any percentage you want to disclose?

Anmol Jain: No. So it is dependent on the value addition which is done and again based on the import content. So there are certain boundaries, but there is no specific percentage of royalty which will be continued to be given on a piece price basis.

Amit Hiranandani: All right, understood. And my second question is basically, sir, what is the revenue split between the station products, PVs, CVs and the safety products?

Akshay Kashyap: Yes. So the station products today contribute a very low, less than 2% to 3% at this point. As far as PV and CV goes, it really depends, because every year, it keeps changing. PV is a more stable industry. CV is kind of dependent on diesel pricing as well. So there have been times, but on a weighted average, you would say that PV contributes at least 50% of our revenue base.

Anmol Jain: And we're very bullish going forward. Because if you look at the passenger vehicle forecast, I mean, today there are almost close to 600,000 total CNG cars which were made in FY'24, which represents close to 15% of the total passenger car production. And this is expected to grow

upwards of 1.25 million by 2030 based on forecast given by top OEMs like Maruti Suzuki and Tata Motors.

- Amit Hiranandani:** So sir, station products, 2% to 3%; PVs, 50%. CVs in FY'24, what was the contribution?
- Akshay Kashyap:** So in FY'24, the contribution of CVs will be about 35% -- 30%, 35%.
- Amit Hiranandani:** Okay. And sir, lastly on the financial side. So if you can please give us a broad financials of Greenfuel for FY'24 as well as FY'23, because we presently have only the revenues in hand? We require some other details like EBITDA, excluding other income, the PAT level, the gross block, net worth, cash.
- Anmol Jain:** As I mentioned, revenue was about INR214 crores in FY'24 with EBITDA margins historically been hovering between 17% to 19%. And at a PAT level, we are operating at about 10% to 12%. We do expect these margins to be sustained going forward at a growth of 20%, 25% CAGR.
- Amit Hiranandani:** Understood. And sir, as per the press release, the FY'23 revenue dropped by about 5%. However, our largest customers, Maruti Suzuki, their CNG volumes have seen 40% growth for the same period. So if you can help us, what am I missing here?
- Akshay Kashyap:** Yes. You see, the volumes are very model-specific. So in those years, certain models of passenger cars which we are specified in were actually discontinued and they came in next year.
- Anmol Jain:** It was more of a product mix, specifically for Maruti. That's the reason. There was no loss of business or change of wallet share.
- Amit Hiranandani:** Correct. Okay. No loss of business.
- Akshay Kashyap:** Also, you have to understand that that was an anomaly year for commercial vehicles because of the differential in diesel and CNG pricing. And in that year, the CV volumes were extremely high the year before. While our pass car volume still did grow, the CV volumes went down. But overall on a revenue level, there was a 5% effect.
- Amit Hiranandani:** So you're saying there is some drop -- discontinuation of the model and the CV CNG vehicle has also seen some lower contribution.
- Akshay Kashyap:** Yes.
- Amit Hiranandani:** Correct. And lastly, sir, how...
- Moderator:** Amit. I'm sorry to interrupt you, but if you could please join the queue. Our next question is from the line of Ravi Shah from Opal Securities. Please go ahead.
- Ravi Shah:** I just wanted one clarification. Greenfuel has a battery division. So is there any particular reason why we did not acquire as EV is doing very well in India?
- Anmol Jain:** So I think first and foremost, our philosophy is always be EV-agnostic and we will continue to grow based on that philosophy. We would currently not like to enter into any specific EV-critical

products. We still do believe that at least in the passenger car space, EV is something which may or may not happen up to the expectations which were set before. We've already started seeing some headwinds in the EV demand. So that is one area which we would like to stay clear of. I think, hence, this partnership continues to focus on servicing alternate fuel applications and the regulated environment, which is expected to develop in the coming years.

Even if you look at the PM's e-drive, there is really no passenger car which -- subsidy, which is being given to passenger cars on that. So based on the current estimates, we do believe that the CNG vehicles will actually continue to have a much more significant share in the overall passenger vehicle market over the next 5 to 7 years. And that's the reason why we did not do it at the EV battery business as a part of this transaction.

Ravi Shah: Understood, sir. Also, I had another question, sir. How does the company plan to finance this acquisition? And are we -- do we have any option for acquiring more stake in the future?

Anmol Jain: So right now, the transaction, as I mentioned, will be a mix of debt and internal accruals. And as I also mentioned that the cash flow, there is a very strong cash flow at Greenfuel which should be able to service this debt over the 5-year period. So that would be my take on how it was being funded.

Ravi Shah: Understood, sir. And sir for the remaining stake, how are you going to acquire that?

Anmol Jain: So I think we continue to co-create value. I think the idea is that the motor at Greenfuel, of course, will continue. The technical partnership will continue and as a strategic partnership where Lumax brings its customer portfolio, customer relationships and the technical and the day-to-day management and execution will continue to be with Mr. Kashyap and the team. We continue to drive the way forward in a similar way. So as of now, there will be a 60-40 split, which will continue.

Ravi Shah: Understood, sir. Sir, my last question is on exports. I think I missed it. So do we have any export contribution to our revenue? And if we do, how much is it as of now?

Akshay Kashyap: So we did just do some pilot projects in export for Africa as the market is just developing there, so the revenue share is very insignificant. Having said that, we are very bullish on the African market, but it also depends on some government policies and the infrastructure development there. But yes, we started some pilot projects in the -- for the African continent.

Anmol Jain: So I think we will continue to be watchful of these emerging markets, specifically Africa. And as and when there is a growing need we will look at strategically how do we utilize those or service those markets from India.

Ravi Shah: Understood sir. Thank you so much sir and all the best.

Anmol Jain: Thank you.

Moderator: Thank you. The next question is from the line of Radha with B&K Securities. Please go ahead.

- Radha:** Hi, sir. Thank you for the opportunity and many congratulations. Sir, I wanted to understand that historically you mentioned that the EBITDA margin was in high teens. But in FY '23, we have seen a huge drop in margins from 18% to 10%. So could you please explain the reason for that happening in FY '23? And how has the numbers been in FY '24?
- Anmol Jain:** I'll let the finance team handle that.
- Ankit Thakral:** Those numbers, if you see in the financials of the company actually also include the EV business. So once you look at the CNG business in a split segment, those are consistently being between the 17% and 19% range that we mentioned.
- Radha:** All right, sir. 17% and 19% range in the CNG business has been consistent for the past 3 to 4 years?
- Anmol Jain:** Yes. That's correct.
- Radha:** All right sir. Secondly, could you please share your thoughts on -- you spoke a little bit about the EV, but your thoughts on green hydrogen as well and hydrogen automobile versus your thoughts on EV?
- Anmol Jain:** I'll let Akshay handle that question, please.
- Akshay Kashyap:** So thank you for that question. I think green hydrogen has a very promising future. Each country will have its own energy and energy security strategy. As far as the Indian government is concerned, as you are already aware, we are extremely bullish on green hydrogen. There are some PLIs for electrolyzer manufacturing as well.
- Greenfuel as a company is excited because we have done already about 35 trucks and buses on hydrogen in India. And going forward, as the market matures, progresses, we do believe that this is going to be an exciting opportunity for diversification.
- Radha:** Any highlights on what are the specific products that we have supplied for green hydrogen?
- Akshay Kashyap:** Yes. So again, these include the fuel delivery and storage systems, but because we are already familiar with 200 bar systems. So going to 350 bar with hydrogen has been a very easy transition for us and we have the knowledge for doing that. .
- Radha:** All right. And sir, the fuel delivery system they are making for CNG as well as green hydrogen. So would it be -- the capacity would it be fungible or how -- the production line will be completely different for green hydrogen?
- Akshay Kashyap:** No. So the production line can be very similar because the parts do look similar from the outside. But yes, they will have some differences in the material composition, etc which -- but they can be made on the same line, if that's the question.
- Radha:** And on a PBT basis, are we making money on green hydrogen or we are yet to reach there?

- Anmol Jain:** It's a very small, it's more of a proof of concept. So right now it would not be fair to assess are we making money on hydrogen or not. But I think the key point is that the company has the technology and the technical capability to also meet the needs of the market should the market shift towards green hydrogen in the future. So we do believe that there is a big opportunity out there. And once the scale comes into play, we should be able to make margins on the hydrogen as well.
- Radha:** Yes sir. Thanks and all the best.
- Anmol Jain:** Thank you.
- Moderator:** Thank you. Our next question is from the line of Shashank Kanodia with ICICI Securities. Please go ahead.
- Shashank Kanodia:** Hi sir and congratulations for this great transactions. Sir just wanted to get some numbers. So is there any debt on the business that we're acquiring, this portion of business?
- Anmol Jain:** So the debt right now is only of working capital, which is approximately INR15 crores. There is no long-term debt on the business currently.
- Shashank Kanodia:** Sir, is my understanding correct that this company has been acquired at an effective valuation roughly 6x EV/EBITDA and 10x earning?
- Anmol Jain:** Can you just say that again, please?
- Shashank Kanodia:** So effectively, is my understanding correct that this transaction has been acquired at roughly 6x EV/EBITDA and 10x price to earning?
- Anmol Jain:** Yes. your understanding will be correct.
- Shashank Kanodia:** Good. And sir, who will be a competitor in this business -- the business that we acquired?
- Anmol Jain:** Primarily two similar scale groups. One is the Krishna Group and the other is the Uno Minda Group. Both of them have certain joint ventures for this business segment.
- Shashank Kanodia:** Okay. And right, so we have 35% market share. So even these guys hold similar shares in that pie right? Or is it...
- Anmol Jain:** There's different products. But yes, as a part of the whole CNG landscape on the fuel delivery system, they both are also present but it may be on a different product category.
- Shashank Kanodia:** Right, right. And sir, secondly, regarding this acquisition. So can you help us understand, so out of this INR133-odd crores, what part goes into fixed asset and what is largely you charge it to your goodwill or intangible assets?
- Ankit Thakral:** So the closing is still under process and subject to the -- any closing adjustments, we will be able to communicate this in some time.

- Shashank Kanodia:** And effective IRR for this or the payback period would be, what, 4 years for us?
- Anmol Jain:** Yes, it will be closer to between 4 to 5 years.
- Shashank Kanodia:** Right. And sir, lastly, sir, I have one request. So regarding the time line of a con call, sir. So we announced the transaction sometime over the weekend right. So as a practice, could we have these calls a bit early and closer to a transaction date only?
- Anmol Jain:** Surely noted.
- Moderator:** Thank you. The next question is from the line of Apurva Mehta with AM Investments.
- Apurva Mehta:** Many congratulations on a great acquisition. Sir, just one question on the content per vehicle from INR3,200 to INR7,000 to INR8,000. So practically, when it will start? What is the time line for that?
- Anmol Jain:** So this will start in the next financial year, quarter 1 of FY '26. This shift will start to be seen.
- Apurva Mehta:** Okay. And can you throw some light on what type of -- which are the models, current models which we have there? And future models which we are likely to be there three of them, which are bigger in size?
- Anmol Jain:** Sure. So I'll let Akshay handle what are the key models we are currently on and we have in the pipeline.
- Akshay Kashyap:** So for the current products that we supply, we have two of the largest models, which is the Swift Hatchback and the Swift regular notchback. And we also have the eco model and the ALTO K10, which will come in a new for next year. And for the fittings project, I am not allowed to disclose at this moment in which vehicles we will come. But the volumes will be significantly good from March onwards. So the models which actually had mentioned are for the receptacle. And for the tube and fittings, we've already got a confirmed order for one of the new models, as I mentioned, which will come into mass production in Q1 of next financial year.
- Apurva Mehta:** That's from Maruti?
- Anmol Jain:** Yes. That is from Maruti Suzuki, correct.
- Apurva Mehta:** And on the Hyundai side, are we also going to supply? You are telling that Hyundai is also coming with CNG?
- Anmol Jain:** So right now, we do not have an existing business relationship with Hyundai. But clearly, as a part of our strategic landscape, we will definitely engage with Hyundai. As you know, Lumax Group already has one very large joint venture which caters to Hyundai Motor India. So we will utilize our customer relationships there to try and see what kind of business opportunities we can get for Greenfuel in the future.
- Apurva Mehta:** Okay. And on the product expansion side, are there any gaps remaining where you would like to develop or enter into some products which are related to the CNG side?

- Akshay Kashyap:** Yes. The answer to that is an emphatic yes. We have quite a few product technologies in the works, which will allow us to address different areas within the vehicle as well.
- Anmol Jain:** The idea is to try and bring these products and technologies, to try and continuously up our content per vehicle and penetrate deeper on to the opportunity that lies with the INR15,000 per vehicle content on the whole CNG delivery system. And these are all without the tank. We are not talking about tanks yet.
- Moderator:** The next question is from the line of Harshil Shah, an individual investor.
- Harshil Shah:** Congratulations on a great acquisition. So my question is Maruti's growth for current year is 30% in CNG vehicles, April to August period, sir, if you can give us April to August turnover, it will be great, sir. How much have we grown like?
- Anmol Jain:** I think the growth for the first half would be again close to between 25% or upwards. A lot of this growth is also driven by the safety and critical component space, not only from the CNG. But again, as these are cyclical in nature, please look at the annual guidance, which I continue to maintain would be around 20% to 25% growth rate for a full year basis.
- Harshil Shah:** And sir, what is the absolute number for April to August?
- Anmol Jain:** I'll come back to you. I don't have that number right off the top. I'll come back to you.
- Harshil Shah:** Okay. And sir, what's the order book of the company?
- Akshay Kashyap:** So this year, we expect to do between INR260 crores to INR280 crores of revenue, which represents the 20% post growth from last year's revenue.
- Harshil Shah:** Okay. And sir, with increasing turnover, like do we get operating leverage? Like can the margins be ahead of 20%?
- Anmol Jain:** I think for now we want to maintain a guidance that the operating margin at first will continue to maintain at a similar level. There may be certain governance costs, which would also go up being a part of a listed company. So all in all, I think right now, with a 20%, 25% top line growth, which is projected, we would like to give a guidance of similar margins between 17% to 19% EBITDA to maintain.
- Harshil Shah:** And sir, last question is on the capital employed. So what is the capital employed for the company? I have FY '23 numbers. But then that inventory includes the battery division also. So like if we can give the capital incurred number for current business, for the business that we acquired.
- Anmol Jain:** So the capital employed would be close to 17 to -- Sorry, INR70 crores to INR80 crores.
- Harshil Shah:** Okay sir, okay that is great. Thank you.
- Moderator:** Thank you. The next question is from the line of Amit Hiranandani with SMIFS Limited. Please go ahead.

- Amit Hiranandani:** Sir, need absolute EBITDA number for FY '24, excluding other income, please?
- Anmol Jain:** So Amit, I don't have that number right of the cut, but it would be approximately close to somewhere around INR40 crores. I don't have the exact number, but ballpark, that would be the range.
- Amit Hiranandani:** Okay. And sir, how is the annual capex guidance for this company?
- Anmol Jain:** So the company is light on a capex model. So it has a higher asset turn, I think the guidance I would like to give is perhaps the total capex over the next 3 years, should be maybe around INR40 crores to INR50 crores.
- Amit Hiranandani:** Okay. How LATL is planning to scale this new business? What are the internal targets and steps taken to improve the overall business and its financials?
- Anmol Jain:** I think, I already explained that the clear growth drivers are to increase the content per vehicle and also to expand the current wallet share with the current OEMs and also penetrate into other OEMs. That is where LATL would bring the customer relationship. And the guidance, as I said, if I look at a 20%, 25% CAGR over the next few years, then clearly this revenue could double from its current level over the next few years.
- Amit Hiranandani:** Sir, I just missed that content per car. Basically, there's some conclusion in that. Can you explain what is the current and how you're projecting it further?
- Anmol Jain:** I explained that out of a total INR15,000 per vehicle which is the, let's say, estimated content per vehicle out of the entire CNG delivery system, currently, this company is operating at about only 20% of that entire system. And we are around INR3,000 to INR3,500 on a vehicle model. We also have confirmed orders where the content per vehicle will go up from INR3,000, INR3,500 to roughly close to around INR8,000 once these new products are introduced to the market. So -- and again, we continue to see what are the opportunities, how do we get the content per vehicle further up from INR8,000 to perhaps INR10,000 to INR12,000 in the coming times.
- Amit Hiranandani:** Sorry, sir, last one final question. Basically, I wanted to know the exact gross block and net worth of this company?
- Anmol Jain:** Gross blocks of now is closer to INR15 crores and net worth is closer to INR60-odd crores.
- Amit Hiranandani:** Great, sir. Many thanks. All the best. Thank you.
- Anmol Jain:** Thank you.
- Moderator:** Thank you. As there are no further questions, I now hand the conference over to the management for closing comments.
- Anmol Jain:** Well, I will take this opportunity to thank everyone for joining into the call. We will keep the investor community posted on a regular basis for updates on your company. I hope we have been able to address to all your queries. For any further information, please get in touch with us or



*Lumax Auto Technologies Limited
September 20, 2024*

Strategic Growth Advisers, our Investor Relations adviser. Thank you once again, and have a good day.

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