

Lumax Auto Technologies Ltd

DRIVING FUTURE MOBILITY GROWTH

HERE IS WHY

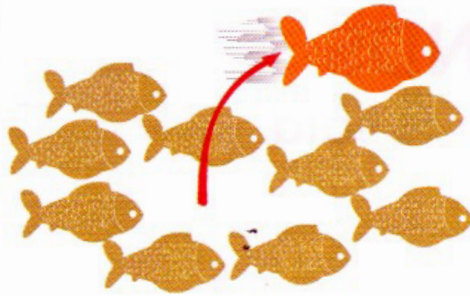
Robust Revenue Traction

Diversified Segments & Strong Order Book

Premiumisation & Margin Upside

The global automobile manufacturing scenario is currently undergoing a profound transformation, moving from conventional engineering towards a software-defined, tech-enabled mobility paradigm. India is the 4th largest automobile producer globally, but the nation's low vehicle penetration; currently only 33 cars per 1,000 people underscores the significant untapped potential for expansion. The expanding middle class and rapid urbanisation are fuelling a surge in automobile demand. The Indian auto component industry plays an integral role in the country's manufacturing and export ecosystem. The industry accounts for 3.5 per cent of the global market and contributes 25 per cent of India's total manufacturing GDP. With autos on a structural upcycle, we see auto components as the backbone of this growth and recommend Choice Scrip from the sector.

Lumax Auto Technologies Ltd. (LATL), part of the D.K. Jain Group, is a leading auto component manufacturer supplying lamps, plastics, mechatronics, chassis, and alternate fuel systems to major OEMs. The company has 30 plants across India. In Q1FY26, LATL posted



CHOICE

1 YEAR INVESTMENT HORIZON

consolidated revenue of ₹1,026 crore, a strong 35.7 per cent YoY growth from ₹756 crore in Q1FY25. Net profit rose 28.6 per cent YoY to ₹54 crore, compared with ₹42 crore in Q1 FY25. For FY25, LATL achieved a significant milestone by surpassing ₹3,000 crore in revenue for the first time, delivering ₹3,637 crore, up 28.9 per cent over FY24. Net profit also crossed the ₹200 crore mark for the first time, reaching ₹229 crore, a 37.1 per cent YoY increase.

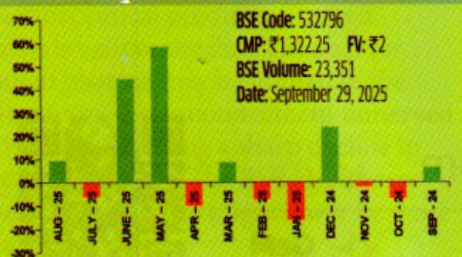
LATL has an order book of ₹1,500 crore. Subsidiaries and joint ventures also contribute meaningfully to this order book, with International Automotive India Private Limited (IAC India), a 100 per cent owned subsidiary, holding an ₹800 crore order book in vehicle interior systems; Greenfuel Energy (60 per cent stake) at ₹200 crore in CNG products; and Lumax Mannoh Allied Technologies

(55 per cent stake) at ₹60 crore in shift levers, spare wheel carriers, and forged components. Other subsidiaries add a combined ₹170 crore, underscoring LATL's well-diversified growth drivers.

LATL's growth is driven by innovation-led R&D, a strong focus on clean mobility, and advanced software integration. Around 40 per cent of its current order book comes from future mobility solutions, including CNG, hydrogen, and BEVs, supported by the Greenfuel acquisition. Margin expansion is expected from higher content per vehicle, premiumisation, and advanced electronics like Body Control Modules (BCMs). Strategic JVs, aftermarket revamp targeting 20 per cent+ CAGR, and global sourcing from China provide additional levers for sustained growth. The company has articulated its FY26–FY31 mid-term plan under the BRIDGE theme. LATL aims to evolve from a Tier-1 supplier to a Tier-0.5 system integrator. The NorthStar Vision (20.20.20.20) sets ambitious targets: 20 per cent revenue CAGR (tripling revenues to ₹10,860 crore by FY31), 20 per cent+ EBITDA margin, ROCE of 20 per cent, and over 20 per cent of revenues from future mobility.

On the valuation front, LATL is trading at a P/E of 48.1x, significantly above the industry average of 29.3x reflecting premium pricing on the back of strong growth visibility. The company maintains healthy return ratios with ROCE at 19 per cent and ROE at 20.2 per cent, supported by a reasonable debt-to-equity ratio of 0.97. With a PEG ratio of 1.35, Piotroski score of 7.0, EPS CAGR of 35.6 per cent, a quick ratio of 0.73, and interest coverage of 4.94x, the financial profile remains robust. Considering all these factors, we recommend a **BUY**.

Monthly Stock Market Returns

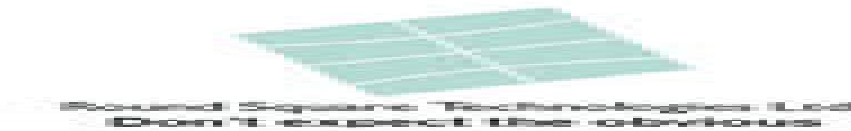


Shareholding Pattern (%) as of June 2025

Promoters	55.98
Institutions	23.35
Public	20.66
Total	99.99

Last Five Quarters (₹/Cr) (Consolidated)

Particulars	June-25	Mar-25	Dec-24	Sept-24	June-24
Total Income	1,037.26	1,142.19	914.52	857.63	773.36
Other Income	10.89	9.3	8.92	15.37	17.43
Operating Profit	135.76	165.94	126.82	117.59	105.46
Interest	23.08	21.2	19.84	18.55	19.44
Net Profit	54	79.67	56.03	51.8	41.65
Equity	13.63	13.63	13.63	13.63	13.63



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