



“Reflex Industries Limited Q3 FY25 Earnings  
Conference Call”

**January 27, 2025**



**MANAGEMENT: MR. ANIL JAIN - CHAIRMAN CUM MANAGING  
DIRECTOR, REFEX INDUSTRIES LIMITED  
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**MODERATOR: MS. SAMIKSHA RAMTEKE – KIRIN ADVISORS**



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**Moderator:** Ladies and gentlemen, good day and welcome to the Q3 FY25 earnings conference call of Reflex Industries Limited hosted by Kirin Advisors Private Limited.

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 call, please signal an operator by pressing “\*” then “0” on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Samiksha Ramteke from Kiran Advisors. Thank you and over to you, ma'am.

**Samiksha Ramteke:** Thank you. On behalf of Kirin Advisors, I welcome you all to the Conference Call of Reflex Industries Limited.

From Management Team, we have Mr. Anil Jain – Chairman cum Managing Director; Mr. Dinesh Agarwal – Whole-Time Director and CFO.

Now I hand over the call to Mr. Anil Jain. Over to you, sir.

**Anil Jain:** Thank you so much. Good evening everyone and a very warm welcome to Reflex Industries Q3 and nine months FY25 Earnings Conference Call.

Over the years, Reflex Industries has transformed into a diversified and resilient organization, consistently embracing innovation and sustainability at its core. First and foremost, I want to extend my heartfelt greetings to all of you on the occasion of the 76th Republic Day. It's a privilege to address you all as you collectively contribute to India's growth story. Before diving into the financial highlights, let me take a moment to reflect on some of the significant milestones that have defined our journey this quarter, including a few material business highlights still today.

Performance Highlights:

Turning our attention to the Company's Financial Performance for Q3 and nine-month FY25:

I am delighted to share that we have achieved robust growth across all business segments, underscoring the resilience and strength of our diversified business model.

Let me start off with Standalone Results:

Total income for Q3 FY25 stood at Rs. 733.48 crores, reflecting a growth of 140.71% year-on-year. For nine-month FY25, the total income increased to Rs. 1,853.44 crores showcasing a year-on-year growth of 77.7%. Net profit for Q3 FY25 serves by 200.12% to Rs. 59.04 crores. For 9 months FY25, net profit increased by 103.58% to Rs. 132.31 crores.



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Earnings per share basic for Q3 FY25 stood at Rs. 4.7 up 162.56% while for 9 months FY25 it is at Rs. 11, reflecting a growth of 86.44%.

Next, we move on to the Consolidated Results:

Consolidated total income for Q3 FY25 has reached Rs. 741.92 crores and 139.97% growth compared to the previous year. For 9 months FY25 it grew to Rs. 1874.14 crores up 78.38% year -on-year. Consolidated net profit for Q3, FY25 rose to Rs. 52.05 crores, up 198.1%, and nine months FY25 it increased by 85.98% to 110.46 crores.

Overall, the Coal and Ash Handling business segment remains a strong force behind the growth of the Reflex Industries, contributing to about Rs. 1,643.88 crores in nine months FY25 and Rs. 683.46 crores in FY25 Q3 alone.

Green Mobility is contributing to 22.2 crores for 9 months FY25 highlighting the Company's focus on sustainable and future focused business initiatives. Green Mobility has also entered into a strategic arrangement with Gensol Engineering Limited to take over 2,997 e-cars from Gensol, and then lease it to Blu-Smart.

As we chart the path forward, our focus is firmly on capitalizing our core strengths within unrelenting commitment to innovation, sustainability, and operational excellence. Reflex is poised to lead India's green transformation and drive meaningful change in the industry we serve. Every mind, tool, we achieve stands as a testament to the trust and confidence of all our stakeholders and the unwavering commitment and dedication of our exceptional team. Together, we are shaping a future defined by growth, resilience, and a shared vision for a sustainable tomorrow.

Thank you for your continued support, trust, and encouragement. Together we are confident in building a path forward for a long-term growth and consistent value creation. Thank you so much. I look forward to engaging in a discussion ahead with all of you.

We can now open for question-and-answers. Thank you very much.

**Moderator:** Thank you. We will now begin the question-and-answer session. The first question is from Krishna Chaudhary, who is an individual investor. Please go ahead.

**Krishna Chaudhary:** I have a few questions, sir. So first of all, I would like to ask about the ash and coal handling business. In the previous con call, sir, we had mentioned that we had completed about 5 million tons of handling in H1. And the full year guidance was 18 million. So that comes to about 13 million for H2. So I would like to know, sir, out of the 13 million, how much have we achieved in Q3? And what is the estimate, if you could give for Q4?



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- Anil Jain:** These are the strategic information. I will give you anyway, I will give you on the data on this. We have completed 8.5 million tons of the work and we will cross this year more than a 10 million.
- Krishna Chaudhary:** So for Q3, we have done about 8.5 million tons, right?
- Anil Jain:** Yes.
- Krishna Chaudhary:** We will surpass the given target also. That's great, sir. And as I saw your presentation, sir, you have also increased the daily handling capacity from 50,000 to 70,000, sir. So, sir, have we added new customers, new sites? And is this sustainable, sir, in the coming quarters?
- Anil Jain:** Yes, this is the current quarter is the peak season and it is sustainable.
- Krishna Chaudhary:** And sir, I would also like to know that we have been able to increase our revenues in this segment a lot, sir. But the margins, sir, they are not increasing as generally when you increase revenues, the operational leverage also kicks in. But in our case, the margin has been stable to a little lower, sir. Is there any reason for that? And can we expect some improvement in the coming quarters?
- Anil Jain:** We have started a lot of new plants. And initially, when we started new plants, there is a mobilization of team happens before the real work starts in the plant. That is the reason overhead and other expenses will be more in the initial time, which will get amortized once the full-fledged work happens. So initially the cost which is incurred in the setting up of the new plant, I mean, starting up the new work at each of the new plants because of that margin is showing the dropping.
- Krishna Chaudhary:** And since we put in initial investments, these would be long term contracts, like, approximately how many years if you could give a rough idea, sir?
- Anil Jain:** Anywhere between 1 year to 3 years.
- Krishna Chaudhary:** And secondly, I have a question regarding the EV green mobility business of ours. So as you see, in this quarter sir, the loss has increased from Rs. 5 crores to Rs. 8 crores sir. So I just wanted to know sir, when can we expect it to positively contribute to a net profit sir, this segment?
- Anil Jain:** So I think with the increase of number of vehicles, the time taken to get 100% utilization of each vehicle takes almost 6 months. So as we are increasing the vehicle we foresee this loss it to happen at least for next few quarters. While operationally we are profitable, but at levels we are making loss, but in the next few quarters we will achieve profitability.
- Krishna Chaudhary:** The recent acquisition of about 3,000 EVs from Blu-Smart, sir. So just I wanted to know what is your idea regarding how would we monetize them? Would we rent them out to Blu-Smart? Or will we use them for our own brand EVs? So what would be the.....



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**Anil Jain:** They are a very strategic long-term drive operational lease model where we have taken all the vehicles from Gensol and we will be giving it to Blu-Smart on a try per month basis lease to us.

**Moderator:** Thank you. The next question is from Nishant Gupta from Minerva Global Capital. Please go ahead.

**Nishant Gupta:** I just wanted to understand, what is the rationale of getting more CAPEX heavy on the EV acquisition from Gensol? Like, you're basically leveraging your Company and giving the OpEx benefit to Blu-Smart. So what is the rationale of acquiring that fleet and what is the kind of IRRs that you are expecting and are these like the new cars that you have received from them or these were used and it has been transferred at a lower price than the retails?

**Anil Jain:** So currently the vehicles are transferred at the book value to us. It's basically an inorganic expansion of our fleet. We are also looking at taking over the operations of these fleet going forward. Slowly we are going to start off with one city in a small number and our long-term aim is to convert this into completely operational feed under us. Just looking at the long-term drive, once the financial approval comes, we will be able to come back on the what is the IRR we are making on this. Currently, it is still under negotiation because the financial transfer has to still happen.

**Nishant Gupta:** You have taken Rs. 315 crore of bank loans for this. So is there any part of internal accruals that will also go for funding this acquisition of 2,997 EVs?

**Anil Jain:** No, currently we are just taking over the loan fully, plus there will be a Rs. 40 crores of equity infusion in this, apart from the debt.

**Nishant Gupta:** And how long is the tenor with the Blu-Smart that you have negotiated in this?

**Anil Jain:** 5 years.

**Nishant Gupta:** So the next question is on the foreign solar power. This wind power project, what is the total amount that you'll be receiving from Torrent Power? You mentioned the megawatt, the contract size is not mentioned in INR crore?

**Anil Jain:** I think that number is, we are not supposed to disclose that the value, only the megawatt is to be disclosed. The term does not allow us to disclose the values.

**Nishant Gupta:** From the invoicing point of view, whatever the amount that you'll be receiving, so you'll be completing this project by 16th April 26 which is mentioned in the document. So when will you be receiving the payments from this?

**Anil Jain:** No, this will be completed only by April next year.



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- Nishant Gupta:** I am just trying to understand how will the cash flows look like? Is it kind of a lumpy payment which will come after the project is delivered in full, or you'll be receiving some milestone payment that is from the cash flow point of view?
- Anil Jain:** There are multiple milestones. The first payment will start coming in from September this year.
- Nishant Gupta:** From September onwards it will come back, but is it safe to say that a majority of it will come after the project is completed?
- Anil Jain:** It is in a phased manner, I would not say majority. At every stage, why there are various payment milestones. There are totally about 7-8 milestones. At every stage there will be payment which will be coming.
- Nishant Gupta:** One final question, more from a long-term perspective, not on a quarterly guidance, but more from a long-term perspective, where can we see the growth rate in the top line and the revenues and the margins to stabilize?
- Anil Jain:** I think on the ash and coal handling, the revenues will keep growing going forward because we are having a lot of contracts now. And we also see margins getting better over there.
- Nishant Gupta:** Any comment on the number, because margins have been up and down, so maybe 10%-11% is something we can see in the long term EBITDA margin to pan out?
- Anil Jain:** Yes, around that.
- Moderator:** Thank you. The next question is from Rahul Gupta, who's an individual investor. Please go ahead.
- Rahul Gupta:** Sir, my question is what role does technology play in the research of green mobility operation particularly in providing the EV services to corporates and aggregators platforms?
- Anil Jain:** Basically the technology helps us to scale up quickly and we have our own in-house tech team which is building this platform. Basically the telematics is built in-house so technology plays a very important role in growth.
- Rahul Gupta:** Can you provide the insights for the future research and development initiatives under the Venwind Reflex Power Limited and how you will align with our renewable energy focus?
- Anil Jain:** So we are still in the process of developing a plan for R&D. Hopefully the next two quarters we will be able to give a clear projection on what are the R&D plans for us.
- Moderator:** Thank you. Next question is from Vignesh Iyer from Sequent Investments. Please go ahead.



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**Vignesh Iyer:** My question is on the fleet acquisition that we did from Gensol and we gave it to Blu-Smart to operate. So a few things I wanted to know. So if I understand we have our own business, right? EVs, which we've done. So what is the rationale of giving, I mean running the fleet on our own, vis-a-vis giving it to Blu-Smart? Is our IRR coming on to be really good when we are giving it on lease to Blu-Smart?

**Anil Jain:** Sir, we are a pure B2B player. Even in our regular EVs, we don't have any. Other than the Bangalore Airport which we do, B2C, all our other fleet is deployed for B2B. So even Blu-Smart is a very strategic B2B option for us where we have taken over the fleet from Gensol and giving it to Blu-Smart on a B2B basis where we have a fixed revenue from this fleet. It is up to Blu-Smart to get customer acquisition operate and etc.

**Moderator:** Thank you. Next question is from Dipesh Sancheti from Mania Finance. Please go ahead.

**Dipesh Sancheti:** What are the grow drivers for the Company for the next year?

**Anil Jain:** Like I mentioned that ash and coal is going to be our focus where we already have multiple orders in hand and we will be growing business over there. And apart from that, EV fleet also is going to grow. As I mentioned earlier, this year by March we will complete about 4,800 vehicles. So both these sectors will grow for us for next year also.

**Dipesh Sancheti:** You said ash as well as EV sector, right?

**Anil Jain:** Yes.

**Dipesh Sancheti:** And I think recently we raised a capital from a number of investors. What has been the utilization so far?

**Anil Jain:** So this has been utilized for the regular business, both in working capital and the CAPEX requirements for vehicle usage etc.

**Dipesh Sancheti:** So we have not reduced any debt or anything with this?

**Anil Jain:** We have reduced 150% of working capital.

**Dipesh Sancheti:** What is the ROE expectation of the Company going ahead? Maybe in FY27, will we get back to our 30% kind of levels, or we will be still in the same, I mean, right now what we are saying?

**Anil Jain:** Can you repeat that? You're breaking up completely. You said ROE, right?

**Dipesh Sancheti:** Yes, I was asking about the ROE.

**Anil Jain:** You mean for which year, current year?



- Dipesh Sancheti:** No, I am talking about ROE for FY26 and FY27. What is the expectation of the Company?
- Anil Jain:** I think FY27 we could be somewhere around 20%-22% ROE.
- Dipesh Sancheti:** So we don't see ROE again coming back to the FY23 levels of 30%-35%?
- Anil Jain:** Because the business growth is offset, if you see the PAT levels are growing and the revenue size also has increased a lot. Capital size also has increased a lot, capital base.
- Dipesh Sancheti:** And the PAT margins also, we expect around 7%-7.5% only going ahead?
- Anil Jain:** I think it will go up to 10% going forward, between 8% to 10%.
- Dipesh Sancheti:** So what are the challenges which we see going ahead? Are there any particular challenges in terms of environmental clearance or any other things which we see?
- Anil Jain:** I think scale is the only challenge for us because with the number of contracts growing, we have to really build a strong team to scale. We don't have any environmental issues, etc. We are the Company who are helping the power plants achieve environmental compliances. For us, scale is the only challenge.
- Dipesh Sancheti:** So, I mean, the orders are there, but only the execution is the main challenge, right?
- Anil Jain:** Yes.
- Dipesh Sancheti:** Okay, so, I mean, if that is so, what in execution, it's only about the team or it's also about the money which is going to be needed?
- Anil Jain:** Currently, we have enough money. It is only the team we need to infuse now.
- Dipesh Sancheti:** And what are we doing about that?
- Anil Jain:** We've already hired, we have doubled our number of employees in the last six months and hopefully we should be able to hire better people and more people by the end of next quarter. Currently we are at 413 people from 296 last quarter.
- Dipesh Sancheti:** Because we've seen a phenomenal sales growth in the ash and coal handling business. Do we see a similar kind of growth going ahead next year?
- Anil Jain:** I think we see better growth going ahead next year.
- Dipesh Sancheti:** If you can quantify it in terms of number, I mean what kind of...





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- Anil Jain:** We have not made any number quantification yet, but the growth will be good.
- Dipesh Sancheti:** Is an expectation of around 20% to 30% of growth will be reasonable?
- Anil Jain:** We cannot comment on that now.
- Dipesh Sancheti:** I mean, anywhere around 20%, I mean, is that okay? I mean, or we are expecting more?
- Anil Jain:** No, we have not been making any forward-looking numbers yet, but we will see how to formalize this and bring it to the shareholder's notice soon.
- Dipesh Sancheti:** Okay, so the growth which we have done up till now, will that be in the same line? I am just trying to take it out from you in a different way.
- Anil Jain:** We are growing.
- Moderator:** Thank you. The next question is from Krishna Chaudhary, who is an individual investor. Please go ahead.
- Krishna Chaudhary:** Previously you had mentioned that there is a push from the government regarding the disposal of legacy ash also in the ponds and water bodies.
- Anil Jain:** That rule is still there and it is continuing. There is no change in the rule.
- Krishna Chaudhary:** So have we seen some on ground execution of that sir? If you can talk about that?
- Anil Jain:** It is being seriously implemented by all the power plants including all the government power plants.
- Krishna Chaudhary:** So we are currently doing that also, sir?
- Anil Jain:** Yes, because of that only business is happening.
- Krishna Chaudhary:** And sir, regarding the power trading business, sir, so why is there so variation in the quarterly numbers is because of the seasonality like factors in that particular segment or what?
- Anil Jain:** We are not focusing more on that now because the margin is too low and we have a good opportunity in other businesses and our concentration is there in the businesses where higher margin is there. Our trading remain will not be a focus further and we will be continuing focusing on the other business.



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- Krishna Chaudhary:** And regarding the newly incorporated subsidiary, sir, Venwind Reflex Power Limited. So how do we plan to use that? Like we have already given one third of the equity to outside partners. So how would be that benefit to our main Company, Reflex?
- Dinesh Agarwal:** No, that is a synergy. And that is the reason we have brought an expert into the, as a partner and we will be working together for growth of Company.
- Krishna Chaudhary:** And my last question, sir, like we have multiple businesses. So are we planning some sort of a demerger in the coming years? Or have we looked on that, sir?
- Anil Jain:** No, we have not planned anything now, but we will come back if we ever plan.
- Moderator:** Thank you. Next question is from Dipesh Sancheti from Mania Finance. Please go ahead.
- Dipesh Sancheti:** In the segmented results of the consolidated one, there is something mentioned in number two of corporate.
- Anil Jain:** That is the corporate overhead, which is not eligible to any of the specific segment.
- Dipesh Sancheti:** The corporate overhead, right?
- Anil Jain:** Yes, these are the all corporate expenses, which is not directly identifiable to any segment.
- Dipesh Sancheti:** The sudden increase, can I allocate it to the increase on number of people which you just mentioned
- Anil Jain:** Multiple factor, number of people, there is a technology advancement is happening, there is a technology expenses, because we are, since we are scaling, there is a development of technology, implementation of new technologies also happening. Because of the people, there is a multiple offices are being set up. Multiple things are there which is not directly identifiable to any specific segment. If it is directly identifiable, it has already been allocated to specific segments.
- Dipesh Sancheti:** Come to your EV business. I mean, how does your EV business work? I mean, you take the... You give the cars to Blu-Smart, and Blu-Smart hires it to the corporates. How does that business work?
- Anil Jain:** Blu-Smart is a B2C player. We have a B2B business where we give vehicles to large corporates for their employee transportation. We do more technology and the vehicles for that. Blu-Smart is a drive-in where we have given only vehicles to Blu-Smart. They will have their own drivers and operations, and they will do it for B2C. The customer acquisition will be their scope. So for us, it is a B2B2C for Blu-Smart. And all of our customers are also direct B2B.
- Dipesh Sancheti:** So B2B clients are us, right?



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**Anil Jain:** Yes.

**Dipesh Sancheti:** And Blu-Smart, we have a stake in them and that's where all the B2C happens from the BluSmart.

**Anil Jain:** No, Blu-Smart is also a B2B customer for me. For me, Blu-Smart is a customer to whom I am giving vehicles on long-term dry operation lease. I have no obligation to get any customer there. And we don't have any stakes also.

**Dipesh Sancheti:** You don't have any stake in Blu-Smart?

**Anil Jain:** No. we don't have.

**Dipesh Sancheti:** Company or the promoters don't have any stake in this, right?

**Anil Jain:** The Company doesn't have it.

**Dipesh Sancheti:** The Company doesn't have. What about the promoters?

**Anil Jain:** Promoters don't have. Promoters through one of their funds have a very small stake which is very negligible, less than 0.5%.

**Dipesh Sancheti:** And how do we plan to scale this business?

**Anil Jain:** We are continuously getting more and more B2B customers. So our focus is going to be B2B customers only.

**Dipesh Sancheti:** And if you can just mention how long are these contracts? I mean, does the vehicle life actually...

**Anil Jain:** They are between 1 to 3 years, and Blu-Smart is 5 years contract. B2B contracts are within 1 to 3 years.

**Dipesh Sancheti:** And what is the margin profile in that?

**Anil Jain:** It depends. Different customers have different way in which we build them. Some are trip basis, some are monthly, some are number of hours, number of kilometers. On average, we have close to 20% gross margin on them.

**Dipesh Sancheti:** Since our coal and ash business is doing so well, I mean, why would the Company actually go into ECV business? And that was one of the questions that, how do we plan to scale it?

**Anil Jain:** It is in a subsidiary Company, and this business is going in a subsidiary Company directly. And again, if you look at our coal and ash also is a logistics business, where I am only moving the



ash and coal from one place to another, I am doing the logistics work. Similarly, EV is also a logistics business for me. I mean, it's a complete operational. So the expertise of our operation efficiency can be at both the places. I mean, they are in line with our original business.

**Dipesh Sancheti:** So all these big corporates which we give, are we giving them with the drivers, I mean, for the handling the stuff or it's only that we are giving the cars?

**Anil Jain:** No, for all the B2B customers, we have drivers, which we have our own drivers and we operate the cars for them, we do charging, etc.

**Dipesh Sancheti:** Okay, so basically it's like a fleet management.

**Anil Jain:** Yes.

**Moderator:** Thank you. The next question is from Yashwanti from Kojin Finvest. Please go ahead.

**Yashwanti:** So, just wanted to understand, you know, how much scope in the Coal and Ash Handling, considering the government focus on this and also the need of ash by the construction industry. That is one. And secondly, as my previous colleagues already asked this question, by when we can see this margin settling about 11% or 12% overall?

**Anil Jain:** So as we told earlier also that ash and coal business is something which will continuously happen because thermal power plants are here to stay. The coal will be burnt, ash will be generated. While that's enough legacy ash for the next few years, regularly ash has been again generated and not being able to dispose off on time, they go back and get filled into those ponds. So this business, I think, will be sustainable and continuously growing from here on for us. The margins, I think, in the next 1 or 2 years will get settled between 8% to 10% for us.

**Yashwanti:** So we are looking only up to the 10% and we are exerting beyond 10% as we have already in earlier quarters we have reported?

**Anil Jain:** Yes.

**Moderator:** Thank you. Next question is from Dipesh Sancheti from Mania Finance. Please go ahead.

**Dipesh Sancheti:** A couple of follow-up questions. One, are we planning to take the EV business pan India?

**Anil Jain:** We are currently operating in Bangalore, Hyderabad, Chennai, and with Blu-Smart we will be also at Delhi. We have also started some trial in Pune and Mumbai. Wherever there are large B2B customers, we will be taking our business further.

**Dipesh Sancheti:** And for the coal handling and ash handling, are there any listed competitors for us?



- Anil Jain:** There are no listed competitors. There is one competitor by the name Ashtech, which is an organized player. Apart from that, most of the players are unorganized.
- Dipesh Sancheti:** And otherwise there's only an organized players which we are competing with, right?
- Anil Jain:** Yes.
- Dipesh Sancheti:** So we pose a significant advantage over them?
- Anil Jain:** Yes, we have a lot of advantage over them.
- Dipesh Sancheti:** What is our mode that we have a significant advantage over the competition?
- Dinesh Agarwal:** We have multiple USP. That is the only reason all the power plants prefer to work with us. One, we are 100% compliances. We take care both in terms of the labor compliances and also other safety compliances with respect to the drivers who operate. And also, they are all medical, ESI, PF, complete compliances. Then on the technology, we provide also the technology, like 100% the GPAs for each of the disposal trips, 100% the we have a control center to monitor each of the disposal. We provide all these compliances to each of the power plants where we work and that is the USP we carry compared to other competitor.
- Dipesh Sancheti:** So how big is this market of ash and soda handling? And what is the market share right now, which we have?
- Dinesh Agarwal:** Very, small. It is one of the large markets in earlier call as Mr. Anil has spoken.
- Anil Jain:** I think there are total 175 thermal power plants across India, and we are operating in less than about 30 plants currently. And even in these 30 plants, we are like one among those few operators, unorganized players. We are only now entering into these thermal power plants. So the opportunity is very, very large. And again, I think close to about 1.7 million metric tons of legacy ash is available, which has to be disposed of. And every year we are generating close to about 800 million tons of coal is being burned. So close to about 300 million tons of ash is being generated every year.
- Moderator:** Thank you. Next question is from Mehul Shah from Samarth Capital. Please go ahead.
- Mehul Shah:** My question is, could you provide insight into your capital allocation strategy, especially with ongoing and upcoming investment, in green mobility and power trading?
- Anil Jain:** So for green mobility, we have assumed we will be investing close to about Rs. 200 crores in our subsidy for electric vehicles and green mobility business. And we require close to about Rs. 300 crores–Rs. 350 crores of working capital for our ash handling business.



**Mehul Shah:** And how is Reflex Green Mobility operationally preparing to integrate the newly acquired like 2997 EVs and what challenges do you anticipate during this transition?

**Anil Jain:** It's a very clear dry lease, long-term operational lease with Blu-Smart. We don't foresee any challenges in this. It's a clear monthly fixed payment which should be received for and it is waiting for financial and regulatory approvals.

**Mehul Shah:** And my last question is, what measures are being taken to improve the efficiency and sustainability of the ash and coal handling segment?

**Anil Jain:** We have become one of the largest organized players in the country today. So I think this business is only going to grow from here. If you can see from earlier last year, we were operating in 4-5 power plants to 36 power plants. But it can show the kind of growth we are seeing and the opportunity lying in front of us.

**Moderator:** Thank you. The next question is from Samad Shah, who's an individual investor. Please go ahead.

**Samad Shah:** I have a couple of questions. Firstly, I wanted to know the breakup of Coal and Ash Handling. Like how much percentage of revenue was for coal handling and what is the percentage for ash handling?

**Anil Jain:** Because most of our logistics is done two ways, we are not able to exactly break the exact revenue from each of this. But we are working on that hopefully from maybe 1 or 2 quarters down the line, we will be able to separately segment this also. I think it is being cross utilized.

**Samad Shah:** Because in one of the filings you had mentioned that you are more trying to increase your dependency on ash handling and slightly reduce the coal handling. Is that right or?

**Anil Jain:** Yes, you are right.

**Samad Shah:** And one more thing, in the last investor PPT, the number of daily tons per day was 50,000. Now it has been increased to 70,000 metric tons per day. So I'd like to know whether the same kind of growth can we expect in the coming quarters and the years or it will be like stable because H2 we were supposed to do like 2x-2.5x of H1. Can we expect a similar kind of growth trajectory in the coming quarters?

**Anil Jain:** I think next quarter we will be able to achieve this kind of numbers because we have already scaled up to the 70,000 tons per day, but I am not sure if this will be, the number will keep growing from here. So yes, we will be able to achieve this.

**Samad Shah:** And one more question. In your investor PPT, you mentioned the states in which current ash handling is going on. It is roughly around 10 to 12 states. And you had also mentioned that you

were going to add like 10 new states. So how much penetration can we expect in the Q4, like from 12 to how many number of states can we enter in the coming quarters, like say next one year?

**Dinesh Agarwal:** See, we will be covering majority of the state in another 6 months' time, not this quarter alone. Currently, we have in this quarter also have started two new plants, in two new states, and already confirmed order is there in two new states in this quarter. And out of the total states in India, few states do not have a thermal power plant. Anyway, we cannot touch that state, especially in the Northeast. But we will be covering the majority, almost all the states in India in another six months' time.

**Moderator:** Thank you. The next question is from Dipan Parekh, who's an individual investor. Please go ahead.

**Dipen Parekh:** Almost all the questions have been asked, but I just want to know whether we are working anywhere for the green hydrogen ecosystems like many big corporates are about to start their production for green hydrogen things and do we have any kind of planning future to supply materials, electrolyzers or anything and be a part of this?

**Anil Jain:** We are not in green hydrogen, sir.

**Moderator:** Thank you. Next question is from Jayaraj Jain from JJ Capital. Please go ahead.

**Jayaraj Jain:** Can you elaborate on the strategic rationale? Like you can say about behind the acquisition of around 3,000 EVs from Gensol and how will the Company position in the electric vehicle ecosystem?

**Anil Jain:** Like we have told multiple times on the call today, that it is a long-term drive-through operational lease where we have acquired the vehicle from Gensol and giving it to Blu-Smart. As a Company, we are a B2B operating Company, so this is also a B2B transaction. This is waiting for regulatory and finance approval. Once this is done, we will be ready to operate these vehicles.

**Jayaraj Jain:** And you would be knowing that the budget would be coming soon. So are there chances of any upcoming regulatory changes or policies in the power mobility sectors that might impact your business operation?

**Anil Jain:** No, sir, nothing will impact us. We are only a fleet operator.

**Moderator:** Thank you. Next question is from Priya Jain from Green Capital. Please go ahead.

**Priya Jain:** My question is, actually I just wanted to understand how does the basic plan to mitigate threats associated with coal procurement and ash disposal given the environmental challenges?



**Anil Jain:** So we are only helping the thermo power plants achieve the environmental compliances. By removing the ash from the thermal power plant, we are helping them to reduce the legacy ash and the ash which they generated is being disposed in an environmentally safe manner. So we are only an environment compliant Company for them.

**Priya Jain:** One more question. Like, could you set some light on the competitive landscape in the green mobility segment and how that Reflex green mobility differentiate that?

**Anil Jain:** Currently, we are a B2B segment. Our major competitors would be Lithium, Snap-E, Ecos Mobility. They operate also for B2B customers in electric vehicles in different states.

**Priya Jain:** Also, I just wanted to understand that are there any upcoming regulatory challenges or changes or policies in the power and mobility sector that might impact your business operation?

**Anil Jain:** We are only a fleet operator so we don't see any regulatory challenge for this.

**Priya Jain:** I have one more question. How does Reflex Industry plan to balance growth in its diverse business segments while maintaining a strong focus on sustainability?

**Anil Jain:** So I think all our businesses are focused on sustainability. If you look at electric vehicles, ash handling etc. So all these businesses are growing independently. So I think that growth is going to happen continuously.

**Moderator:** Thank you. Next question is from Vimoksh from Goyamlabdhi Fintech. Please go ahead.

**Vimoksh:** I have a question that, as I can see, there are majorly four businesses, right? And as you mentioned that you will be less focusing on the power trading business. So, is this fair to assume that we can remove that business going ahead. And I can also see that there is very less number of interest in the representative cash business as well. So how is it like for these two? I think we are majorly focused on Ash and Coal Handling and this Green Mobility B2B business?

**Anil Jain:** Yes, our focus is mainly on Ash and Coal Handling and Green Mobility. Other businesses are going on, but the growth for them are very limited. Power trading is a very low margin business, so we are not being focused much on that. Refueling gas is also a very limited market, so the growth is very limited in that.

**Participant:** My next question is like, you mentioned that you are literally in the logistic segment, right? So is it like, are we exploring any other good business in the same segment where we move the things from point A to point B

**Anil Jain:** No, we are not looking at anything like that.





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- Moderator:** Thank you. The next question is from Rahil Kothari from Exencial Research Partners. Please go ahead.
- Rahil Kothari:** Sir, one of my question is, what is the current order book in coal and as handling business? And second one is one of our earlier con call you said the growth of call and as handling business we will be growing 30%-40% CAGR for next few years. So do we still hold that growth guidance?
- Anil Jain:** Yes, we are still holding to that growth. And currently on the order book side, we have not reported the order book to the exchanges. So yes, we have a very strong order book in hand.
- Rahil Kothari:** And sir, last question is my, sir, what is the next few years, 25-26 around guidance, growth guidance?
- Anil Jain:** I think we are growing at the same pace, what you mentioned earlier, and we are confident of achieving that.
- Rahil Kothari:** And one last question. Sir, revenue from top 3 or top 5 customer in terms of total revenue, it was 70% for FY24 annual report?
- Anil Jain:** Is it last year?
- Rahil Kothari:** Yes, sir.
- Anil Jain:** Current year the revenue will be very diversified.
- Moderator:** Thank you. Next question is from Komal Iyer from NBG Investments. Please go ahead.
- Komal Iyer:** Could you explain your rational for supplying the power wind projects for Torrent Power? I mean, what is the rationale of getting into that business? Because that does not sync with any of your other businesses?
- Anil Jain:** So it is an opportunity we got for the renewable wind energy business. That's why we set up a separate subsidiary under which we are trying to do this business. We see the opportunity in renewable energy is going to be very large. So we are working on this and we got a good partner who can, a good technical partner who can help us grow this business.
- Komal Iyer:** But you would just be doing the part of transportation or you will be working as an EPC for his wind power project?
- Anil Jain:** No. We will be the OEM supplier to the turbine.



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- Komal Iyer:** Only the OEM supplier. So it will be a kind of trading business from you from where you will be procuring the equipment and then supplying to Torrent Power, transporting to Torrent Power, right?
- Anil Jain:** Yes.
- Komal Iyer:** Okay, and what kind of return are you expecting in this kind of business?
- Anil Jain:** Maybe a gross margin of roughly about 8%-9%.
- Moderator:** Thank you. We will move to the next question. Next question is from Krishna Chaudhary who is an individual investor. Please go ahead.
- Krishna Chaudhary:** Sir, I have a question regarding trade receivables. In the previous quarter, there had been a considerable jump in the trade receivables. So I understand because of the increasing revenues, but can you give some highlights regarding what is the cash conversion cycle for the revenue?
- Anil Jain:** Earlier also I explained this receivable to collection cycle. Any billing for a particular month, certification and other things, it takes around 20 days. After that, again, a checking process, and some of the billing process finalization happens, which takes 7 to 8 days. The collections, some of the collections come in 30 days, some take 60 days. Some of the collections take 65 to 70 days. Anywhere between the 90 to 97 days is the current revenue to collection cycle.
- Krishna Chaudhary:** Okay sir, and one more question sir, you have mentioned that you have a segment of solar power also. So what do we do in that, like we have minimal revenues from that and what is the future outlook you have on this segment sir?
- Anil Jain:** No, there is only one solar power plant which we have been having for many years where the PPA is signed with the Discom, so we are not planning to add anything over there.
- Krishna Chaudhary:** Okay sir, and so this would remain constant this revenue that we are currently getting will be similar line sir.
- Anil Jain:** We have a PPF of many years, so another 12 years PPF is pending, so this revenue will keep coming for the next 12 years.
- Moderator:** Thank you. The next question is from Amansingh Sahajsinghani from Profit Gate Capital Services. Please go ahead.
- Amansingh Sahajsinghani:** Actually, I joined call a bit later. You can skip to answer the question. I will read the transcript. So I was trying to figure out a little more about the deal that with the Gensol Engineering regarding the EV. So it was already leasing to BluSmart and now we have bought the EVs and



we leased to BluSmart. So how are we making this transaction worthwhile for the Company, just wanted to understand it?

**Anil Jain:** So for us it is a very clear long-term dry operational lease. And we have acquired the vehicle from Gensol and we will be giving it to BluSmart only. So for us it will be a monthly payment of lease rental for these vehicles. And it will be the responsibility of BluSmart to operate and run these vehicles and acquire customers also. There is still a financial and regulatory approval pending from the lender. Once that approval is done, this revenue will start kicking into our books from next quarter onwards.

**Amansingh Sahajsinghani:** But before the deal, Gensol was already leasing some of its vehicle to BluSmart directly. Now they are routing this through us, through our Company. So what is the rationale for not directly leasing because the promoter for both the Blusmart and Gensol is same, right? Similar promoter group. So why not leave them directly and root it through us? What will be the ROIs or ROEs that they'll make in this project, right?

**Anil Jain:** So we are not sure about their understanding, but yes, we will have a very substantial ROE for this once the financial regulatory approval comes, there will be substantial returns for us. And we being a B2B player for us will be encouraging more and more of these opportunities where we can acquire vehicles and give it to B2C operators so that our income, our revenues are fixed and we don't lose or burn money.

**Amansingh Sahajsinghani:** So this vehicles are already running, the 3000 vehicles are already running on the road?

**Anil Jain:** Yes, they are already running on the road, sir.

**Amansingh Sahajsinghani:** So, once all the financial and regulatory approvals are in place, what would be, so we leasing directly to BluSmart. What is the revenue that became recognized in the first month after, first month of leasing or first quarter of full leasing to BluSmart?

**Anil Jain:** Only after the financial approval and interest rate, etc., we will be able to determine that, sir.

**Amansingh Sahajsinghani:** No, but we would have some revenue assumption, right? Some revenue assumption, revenue guidance would be helpful.

**Anil Jain:** Yes, I mean, we cannot give that today. Once the transaction is closed, we will make this public, sir.

**Moderator:** Thank you very much. That was the last question in queue. I would now like to hand the conference back to Ms. Samiksha Ramteke for closing comments.



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**Samiksha Ramteke:** Thank you everyone for joining the conference of Refex Industries Limited. If you have any queries, you can write to us at [research@kirinadvisors.com](mailto:research@kirinadvisors.com). Once again, thank you for joining the call. Thank you, sir.

**Moderator:** Thank you very much. On behalf of Kirin Advisors, that concludes this conference. Thank you for joining us, ladies and gentlemen. You may now disconnect your lines.