



“Olectra Greentech Limited Q3 FY '25 Earnings
Conference Call”

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MODERATOR: MR. AMAR KANT GAUR – AXIS CAPITAL LIMITED

Moderator: Ladies and gentlemen, good day and welcome to Olectra Greentech Q3 FY'25 Earnings Conference Call hosted by Axis Capital Limited.

As a reminder, all participants' 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 "*" then "0" on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Amar Gaur from Axis Capital. Thank you. And over to you, sir.

Amar K. Gaur: Thank you, Yusuf. Good evening, everyone. On behalf of Axis Capital, I welcome you to the Q3 FY'25 Post Results Conference Call of Olectra Greentech Limited.

From the management team we have with us today, Mr. B. Sharat Chandra – CFO, Mr. P. Hanuman Prasad – Company Secretary & Compliance Officer, along with teammates from Finance and Strategy.

I will hand over the call to “Mr. B. Sharat Chandra for his Opening Remarks” post which we can have the “Q&A.” Over to you, Mr. Chandra.

B. Sharat Chandra: Thank you, Mr. Amar. A warm welcome to all of you who have joined us today for the Olectra Greentech Earnings Call for the Q3 '24-25.

We are taking as read the presentation which is put on our website along with Safe Harbor statement there on.

We are pleased to state that the overall Results of Q3 and nine months remain strong with growth in our consolidated revenue and profitability.

We have till 31st December we accumulatively delivered about 2,448 electric buses and 51 electric tippers.

I would like to present the “Key Highlights of your Company at a Glance”:

Olectra buses have successfully covered more than 30 crores kilometers across the length and breadth of the country. Strong demand continues with the company's net order book of electric business, which stands at 10,224 numbers after delivering 282 buses in Q3 FY'25.

Notably, we unveiled our latest technology advancement, the Blade Battery technology at the Bharat Mobility Global Expo 2025. With its cutting-edge design and exceptional energy density, the Blade Battery promises not only longer ranges, but also the faster charging time, ultimately, enhancing the performance, safety, and reliability.

Our focus continues on increasing our manufacturing capacity and enhancing our technology capabilities, and we are constantly exploring new ways to improve, innovate and push the boundaries of what is possible in the electric mobility industry, setting new benchmarks for the future.

Now, I will begin with providing you the “Key Highlights for Q3 Consolidated Financials”:

On a consolidated basis, the revenue for Q3 was at 515.37 crores, up by 51%. The company's EBITDA for Q3 is an impressive 81.77 crores, marking a substantial growth of 46% compared to the corresponding quarter of the previous year. PBT surged to 61.95 crores, a remarkable 83% increase from the previous fiscal of 33.84 crores. The PAT stands at 46.62 crores, up by 72% compared to the previous fiscal 27.11 crores.

“The Performance Highlights for the Nine Months”:

The top line was 1,352.98 crores, up by 56%. The company's EBITDA in nine months saw an impressive 217.97 crores, marking a substantial 53% increase compared to the previous year. PBT surged to 158.63 crores. A remarkable 85% increase from the previous fiscal 85.67 crores. The PAT stands at 118.52 crores, up by 86% compared to the previous fiscal 63.76 crores.

On a standalone basis, the revenue for Q3 was at 506.83 crores, up by 53%. The company's EBITDA for Q3 stood at 78.73 crores, a significant increase of 58% compared to the corresponding quarter of the previous year of 49.84 crores. PBT for Q3 on a standalone basis surged to 60.87 crores, a remarkable increase of 103% versus the previous year's Q3 of 29.92 crores. The PAT stood at 46.31 crores, up by a significant jump of 108% compared to previous fiscal of 22.28 crores.

“Performance Highlights on a Standalone Basis for the Nine Months”:

The top line for nine months was 1,325.09 crores, up by 59%. The company's EBITDA reached an impressive 205.62 crores, marking a substantial 55% increase compared with previous year's 132.64 crores. PBT surged to 153.93 crores, a remarkable 86% increase from previous fiscal 82.83 crores. The PAT for nine months on a standalone basis stands at 115.25 crores, up by 86% compared to the previous Fiscal 61.96 crores.

Thank you and over to the Axis team for the Q&A.

Moderator:

Thank you very much. We will now begin the question-and-answer session.

Anyone who wishes to ask a question may press “*” and “1” on their touchtone telephone. If you wish to withdraw yourself from the question queue, you may press “*” and two. Participants are requested to use a handset while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Bansi Mundra from BSM Investments Advisor. Please go ahead.

- Bansi Mundra:** Greetings to you for a blockbuster quarter. Thank you for giving me the opportunity, sir for this con call. Sir, basically I will divide my questions in just two parts. What target are we seeing in 2025 or 2026 for the top line? And for the CAPEX is done, what revenue are we expecting from that and what other revenue are we expecting?
- B. Sharat Chandra:** I think to answer your first question, for '24-25, we are expecting the target to be around 1,200 number, and for '25-26, we have already indicated earlier in the previous call where we are targeting a conservative number of 2,500 numbers. We are actually ramping up the installed capacity to about 5,000 numbers and by Q4 Earnings Call, we will have clear clarity on what could be the guidance for the next financial year. As of now, we are indicating about 2,500 numbers. As far as CAPEX is concerned, see, basically we have a large order book of about 10,200 plus numbers. To meet these order execution, we have actually put up a new plant where the construction on Phase-II is progressing at an advanced stage and initially we have a capacity built about 200 buses per month where we are targeting to increase to about 400 buses per month. So, the CAPEX we have actually planned to take a debt of 500 crores to meet the revenues. I hope I have clarified.
- Bansi Mundra:** Yes. Thank you so much, sir. Thank you so much for giving me an opportunity.
- Moderator:** Thank you. Next question is from the line of Gaurang from Utility Unified. Please go ahead.
- Gaurang:** Congratulations for the Q3 numbers. I have a couple of questions. First, in terms of the order book, you mentioned that the order book is of 10,200-odd buses. So, just to understand the value of these buses, I have jotted a few numbers. So, basically, from Mumbai BEST buses, we have some 5,000 buses order and which are basically 12-meter A/C buses which should be around 1.75 crores in cost, then we have MSRTC order which is 2,800 are electric coach buses and we have 9 meter MSRTC which would be around 2,350 number buses. So, I have just done some calculations wherein I arrived at number in terms of value to be around 20,000 crores. So, am I right in projecting those numbers?
- B. Sharat Chandra:** Mr. Gaurang, actually, I need to clarify. See, basically these numbers, the average sales realization if you look at the sales mix currently, it's about 1.5 crores if you look at 9 meters, 12 meters and coach all put together. So, when we talk about these kind of large numbers and the pricing definitely will be variable, it all depends on factors like what could be the cost and these orders are going to be executed in the next 24-to-30 months. So, in that scenario, based on the cost factor, both we and our customers will mutually agree for a price. As of now, the average price is about 1.5. You can take 1.5 as a ballpark and then have the number.
- Gaurang:** Yes, it comes to around 15,000 to 16,000 crores.
- B. Sharat Chandra:** Yes.
- Gaurang:** Yes. Thank you for the answer. So, my next question is recently Chief Minister's Office of Maharashtra had tweeted that there was a MoU of 3,000 crores which was signed by Olectra EV

in Davos. So, my question is this is related to the battery energy storage system investment which M.D. sir spoke about few months back?

P. Hanuman Prasad: Actually, as a part of business development, we are exploring the various opportunities. This is just an expression of our interest into that different kind of business, our extension of the electric vehicle-related issue. May be appropriate time once the concrete decision taken from the board perspective, we come back to the shareholders.

Gaurang: But is it vehicle related or is it battery storage related?

P. Hanuman Prasad: Both, it combines.

Gaurang: Yes. And my last question, So, what is the current status of the factory like are the automatic robots in place so that the factory gets totally autonomous?

B. Sharat Chandra: See, basically we have placed the orders, and we are expecting the machinery in about next about six months' time. So, Phase-1 without robotics and Phase-2 is with robotics. So, it may take about six months time to get automation in place.

Gaurang: If I may know which company robots are we thinking of, is it ABB?

B. Sharat Chandra: As of now, actually we will not be able to deliberate. I will just indicate the vendor names.

Management : So, we are discussing with all the major robotic players like Fanuc, Kuka and all other top robotic players. I think we have answered your question.

Gaurang: Okay. Thank you for the answer. Wishing you well, for the next quarters. Yes. Thank you.

Moderator: Thank you. Next question is from the line of Deepak Poddar from Sapphire Capital. Please go ahead.

Deepak Poddar: Am I audible, sir?

Moderator: Yes, please go ahead.

Deepak Poddar: Thank you very much for this opportunity. So, just wanted to reclarify, this year we are targeting 1,200 buses, right, in terms of delivery and next year 2,500 buses conservatively, right?

B. Sharat Chandra: Correct.

Deepak Poddar: And what was the number in this third quarter?

B. Sharat Chandra: Third quarter, we did about 282 and cumulatively we did about 753.

- Deepak Poddar:** So, in the last quarter we are expecting around 450 kind of a number, right?
- B. Sharat Chandra:** That is we are targeting to get, reach about 1,200.
- Deepak Poddar:** Understood. How should we one look at margins? I mean, last two quarters, our margin has been quite stable at 15, 15.5%. So, in the near term, we expect this margin to continue?
- B. Sharat Chandra:** In the near term, we expect the same margins, but over a period of time, I think I have clarified in the past certain types of numbers. In terms of value, we see a significant growth in value. But over a period of time, the margins could be around 12%.
- Deepak Poddar:** Okay. Yes, yes, that you have mentioned over the longer term, maybe we expect margin at 12% rate, but in near term there's 15%, 15.5% kind of a margin is sustainable?
- B. Sharat Chandra:** Correct. It all depends on the product mix also.
- Deepak Poddar:** Yes, yes. And this entire 15,000 to 16,000 crores, we are expecting to execute in next two, two and half years, right?
- B. Sharat Chandra:** Right. Correct.
- Deepak Poddar:** Okay. Okay. Okay. So, considering this, your volume target of 2,500 looks conservative, right, for the next year ideally should be -
- B. Sharat Chandra:** I think I have mentioned the first investor. So, we will have more clarity when we come back for the Q4 earnings call. So, as of now, conservatively, we would like to keep the number at 2,500, and once we have more clarity by Q4 earnings call, we will like to give the revised guidance.
- Deepak Poddar:** Okay. Fair enough. And just one last thing on the debt side. By when we are looking to increase the debt of 500 crores that you mentioned.
- B. Sharat Chandra:** Next maybe 4-5 months. Basically, the plant and machinery part where we are yet to incur. We are yet to draw down for the plant and machinery.
- Deepak Poddar:** Correct. So, in four to five months, ideally in first quarter or second quarter of FY'26?
- B. Sharat Chandra:** Correct.
- Deepak Poddar:** Okay. And what is the total CAPEX amount you mentioned? I missed that number.
- B. Sharat Chandra:** The total CAPEX is we are estimating around 750 crores including the land cost.

- Deepak Poddar:** Okay. Out of this 750 crores, we are looking 500 crores through debt and remaining 250 crores through internal accruals?
- B. Sharat Chandra:** Yes, yes, correct.
- Deepak Poddar:** Okay. Yes, I think that would be from my side. Thank you so much. All the very best.
- B. Sharat Chandra:** Thank you. Thanks a lot.
- Moderator:** Thank you. Next question is from the line of Praful Rai from Aarjav Partners. Please go ahead.
- Praful Rai:** Sir, hi, I am Praful. Congrats for great set of numbers. I have a couple of questions. The first is, see, is there a bottleneck or some kind of **(Inaudible) 15:52** on the supply side that we are facing which is leading to a lower-than-expected production at our end? We keep hearing all kinds of things. Therefore, I just wanted you to help us with the way we should be thinking about this particular issue. That is one. Second is on the buses. We are selling the buses on lease basis or dry lease whatever, and so there is an intermediate vehicle, which is financing that. Is there any issue on the financing side of these buses because that becomes heavier than we supply more of these buses? That is question 2. And third is that when this increased capacity will come in place in terms of when we can start producing buses? These are the three questions to answer. Thanks.
- B. Sharat Chandra:** The first question, as you're all aware, we are in the continuous process of streamlining the production as we are ramping up our operations in the new plant. And while our initial guidance was about 1,500 numbers, we now foresee a revised target about 1,200 numbers for this year. This adjustment reflects our commitment to prioritizing quality and operational efficiency over share volumes. The production numbers in the first three quarters have set a solid base and with upcoming ramp up of our new state-of-the-art facility, we are well positioned to achieve this revised target. We remain fully committed to scaling even more effectively in the coming quarters and continue to deliver sustained growth and creating a long-term value for our investors. As far as the business model, I think you are aware, it's a GCC model, and various EVEC trans SPVs are incorporated to meet the requirements of various states. So, I think in the past also, we have mentioned the latest two big orders of 5,150 buses and 2,400 plus 25% about 3,000 buses as well as 2,100, all these three major orders, sanctions are in place. A couple of projects almost reached the final documentation stage and the last project the documentation will be taken up shortly. So, financial closures are in place. So, we don't foresee any major challenges as far as the financing is concerned. With regard to capacity, as we have indicated in the past, we have built about 200 numbers per month, which we are ramping up to about 5,000 numbers in the near future. Over a period of one year, we want to ramp up to about 10,000 numbers.
- Praful Rai:** Sir, one question probably. See, I just wanted you to help us with that is we keep hearing that there's some kind of a supply issue on the battery side of it from China and some stabilization on the JC manufacturing setup. Can you just help us with because this battery thing some other companies have also come and talked of. So, are we having any such issues or probably these issues are past and we are able to ramp up now?

- B. Sharat Chandra:** As far as we are concerned, we don't have battery issues. We are working, as I think we have indicated in the past we have a strong R&D team, we keep working on introducing new models and localization is a continuous process.
- Praful Rai:** Okay. I think this is very helpful sir. Thank you. Thanks a lot.
- B. Sharat Chandra:** Thanks.
- Moderator:** Thank you. Before we move to the next question, a reminder to the participants to ask a question, you may press “*” and 1. Next question is from the line of Samir Deshpande, an individual investor. Please go ahead.
- Samir Deshpande:** Congratulations, sir for good number. I would like to know if the production capacity currently you mentioned is about 2,400 annually and the Hyderabad plant in our presentation it mentions 5,000. So, how soon will it be touching 5,000?
- B. Sharat Chandra:** Yes, 5,000 numbers, we are in about the next four to six months we are going to touch.
- Samir Deshpande:** Four to six months’ time. And in the last quarter, I think we had sold 315 buses, and in this quarter we sold about 282 businesses. So, the current run rate seems to be around 300. So, we are targeting 1,200 for the current year.
- B. Sharat Chandra:** Yes, correct.
- Samir Deshpande:** Or do we expect to be better off in the March quarter because of the government budget, etc.,?
- B. Sharat Chandra:** Nothing, actually, there's no as such impact from the budget side. So, basically, as mentioned to fellow participants, we are in the continuous process of streamlining the production and we are ramping up the operations of the new set up. And in Q3, we were focused on delivering higher value CX2 model and this allowed us to increase our top line revenue even with slightly lower production volumes. Meanwhile, we have invested time in optimizing our production processes and scaling up our supply chain to ensure smoother execution for execution of larger orders of different models in the near future. So, we expect both the production volume and the revenue to grow substantially, ensuring sustained value for our stakeholders.
- Samir Deshpande:** Since we are mentioning 1,200 buses for the year and we have achieved some 750-odd, so someone have mentioned the last quarter the best can be 450-odd and which will be significantly higher than 280 in this quarter?
- B. Sharat Chandra:** See, basically our target is about 400-plus EVs in this quarter, based on all the parameters, we are expecting to meet this target, but as I said, as of now this is what we are targeting and we want to break the Q4 with all the previous quarter numbers and if we do that, that will be our strongest quarter. So, we are targeting to do this. We will try our best.

- Samir Deshpande:** That is fine. Now the product in India currently I think there are a few manufacturers along with you. And so which company has the largest market share in terms of the electric buses supplying to the government? Are we the largest one?
- B. Sharat Chandra:** Yes, yes. See, basically, I think in my introductory note, I mentioned about our numbers in terms of cumulative supply as well as kilometers. So, our buses have on Indian roads we have crossed more than 30 kilometers, and by far this is highest actually compared to anybody in the market. And about 2,500 electric vehicles we have supplied to 31st December 2024. In terms of both the supply number as well as the number of kilometers by far we are the largest.
- Samir Deshpande:** And in the last call, you had mentioned about the AMC which we received per eBus. What the revenue generated in this quarter or in this financial year compared to the last year?
- B. Sharat Chandra:** Compared to last year, our revenue from AMC is about 5% of the total top line. So, that means about 1,353 crores were 5%, about 60, 65 to 70 crores is our AMC income and compared to last year, it is one of half times more than last year. As the fleet increases, revenue from AMC service is likely to go up.
- Samir Deshpande:** Yes. Well, as our captive total Tokyo number, it goes up, it will be significantly because 5% is fixed, so as volumes grow if it is 2,000 crores, it will 100 crores per annum or whatever?
- B. Sharat Chandra:** So, it is not 5% fixed. As of now, the AMC income is about 5%. So, as we progress, we expect the 5% to improve, because the fleet, if it goes above 10,000 numbers, the revenue contribution could be slightly better than 5%. But overall, yes, what you are saying rightly, it could be around 5% on a larger revenue base.
- Samir Deshpande:** That is a very good steady source of income and maybe in next one, two years it can be significant. So, that including our operating margin target continues to be this or it can be higher?
- B. Sharat Chandra:** In absolute terms, it will be higher, definitely, but in percentage terms, over a longer tenure and with larger volumes, we expect that to stabilize around 12%.
- Samir Deshpande:** Currently it continues to be 15 plus and maybe, may be after 1-2 years it will come down because when the volumes go up significantly?
- B. Sharat Chandra:** Correct.
- Samir Deshpande:** Thank you, sir and all the best.
- B. Sharat Chandra:** Thanks. Thank you.
- Moderator:** Thank you. Next question is from the line of Bala Murali Krishna from Oman Investment Advisors. Please go ahead.

- Bala M Krishna:** What is the reason for this drop in the number of buses produced in this quarter? We were expecting a little bit higher number. Surprisingly, we see that number all dropped from the last quarter.
- B. Sharat Chandra:** Mr. Bala Murali, I think this is the same question have been asked by the other investors as well. I think we have tried to clarify. Maybe to summarize, as you are aware, we are in continuous process of streamlining the production as we are ramping up the operations in the new plant. And this adjustment reflects our commitment to prioritizing quality and operational efficiency over sheer volume. And the production numbers for the first three quarters have set a solid base and with the upcoming ramp up of the new state-of-the-art facility, we are well positioned to achieve this revised target as well as in the coming future, we continue to deliver sustained growth. That is what our vision is and creating a long-term value for our investors.
- Bala M Krishna:** Okay, sir. Regarding the order book, so since long time we have not won any order, so we are still sitting with this BEST and MSRTC orders only. So, from PM e-Bus Seva, we could not be able to capture any share from the same. So, what is the pipeline of tenders as of now? We participated and waiting for that awarding of tender and what could be the number, could you please clarify on that, sir?
- B. Sharat Chandra:** As you rightly said, currently, we have an order book of 10,200-plus buses. We haven't stopped our participation in the new e-bus tenders. We are active. Recently, we have participated in HRTC, North Western Karnataka tenders, and While our current order book is substantial, commissioning of the new plant is geared up precisely to ensure we meet the future demand seamlessly. And as you rightly said about the PM e-Seva, I like to ask my colleague to clarify.
- Management:** So, as rightly said by Sharat, sir, we are under negotiations for the tenders of HRTC as well as NW Karnataka. HRTC about 330 buses and NW is about 350 buses and we have good order book of 10,200 buses and in recent e-PM Seva the players are announced as L1, but the rates are yet to be finalized and as well as the LOI is yet to be issued.
- Bala M Krishna:** So, in the PM-e, one of the tenders we are L1, right?
- B. Sharat Chandra:** For the PM e-Seva, we are not L1, we have separate orders from HRTC and Northwest Karnataka, where we are L1 we are negotiating.
- Bala M Krishna:** Understood. So, other than these tenders, any other big tender you have participated and is under pipeline?
- B. Sharat Chandra:** So, these are the two which are in pipeline, and we have significant order book to execute more than 10,000 numbers.
- Bala M Krishna:** So, what is the current month run rate, sir, how many buses produced in this month so that's that we -

- B. Sharat Chandra:** Basically month-on-month is being price-sensitive, we are not giving any guidance. Only quarter guidance we have been giving and then we have given the revised target of about 1,200 numbers over a full year which includes about 400 plus numbers for Q4.
- Bala M Krishna:** Okay, fine, but the thing which we are worried is actually some of our competitors are sitting with some higher capacity and they are able to execute the orders very quickly, as they have already 5,000 capacity, but being a 10,000 backlog is continuing since a long time as the order execution is on the low phase and we are not able to add any further orders to the order book... significant orders, small 300, 400 would be okay. So, this will lag at one point of time will we be behind the competitor, sir, it seems like that, what is your take on that, sir?
- B. Sharat Chandra:** Basically, we are focusing on our business and we are seeing sustained growth over the last several quarters and we continue to strive to have sustained growth in the near future as well. And as well in the initial note I mentioned about working on new technologies. As far as we are concerned, we are pioneers in bringing new technologies. With the advancement of technologies, we are confident that our products will definitely stand in the market compared to anybody. So, continuously we have been growing, and we are definitely striving to have business growth on a sustainable manner.
- Bala M Krishna:** Okay, sir. Thank you very much.
- Moderator:** Thank you. Next question is from the line of Ravindra, an individual investor. Please go ahead. Ravindra, your line is unmuted. Please go ahead with your question.
- Ravindra:** Yes, my question is answered from the previous caller. That was my question. Thank you.
- Moderator:** Thank you. The next question is from the line of Nitin Gandhi from Innoquest Advisors Private Limited. Please go ahead.
- Nitin Gandhi:** Yes. Thank you for the question. Just would like to understand the AMC. How does it happen? Are you having AMC for all the buses supplied? It starts after how many periods warranty and do they have the option to take their own management of vehicle fleet or anything comes to you for some certain duration, can you share some thoughts on that? And second question is this CAPEX which you said is increasing to 5,000, that's 400 per month, but you said that overall plan is to reach from 400 to 800, that's almost 10,000 a year. So, what will be CAPEX for that? Thank you.
- B. Sharat Chandra:** Yes, sure. See, our business model is gross cost contract wherein as an OEMs our scope is to manufacture and deliver the buses and take care of the aftersales service. So, this is how the model is structured and typically the project duration is about 12 years and for the entire 12 years, Olectra is responsible to take care of the maintenance. Based on mutual agreement between the fleet owner and Olectra, we fix a price per kilometer and based on number of kilometers run, the revenue is recognized. So, as far as the warranty is concerned, that is the part and parcel of the AMC arrangement wherein we have back-to-back warranties with our vendors

for a specific period and specific kilometers. And as far as the CAPEX is concerned, as you rightly said the initial capacity about 400 buses, we will be incurring this CAPEX outlay and the civil part is taken care in this outlay and as far as the balancing equipment is concerned, we expect maybe about 100 to 200 crores to increase 10,000 numbers.

Nitin Gandhi: That's good to hear, but the AMC can you share... do we have because I see so far we have supplied 2,500 buses by end, correct. So, maybe by this time, even if it's the first year without AMC. I assume that's the minimum duration after which AMC will start. So, the next flow, every quarter keep increasing by whatever else has happened six months or one year back, and that should be the flow to keep adding, right?

B. Sharat Chandra: Right. Yes. As the bus fleet supply increases within a month after the buses are in operation, the AMC income starts based on the actual kilometers run by the fleet. So, as the fleet number increases, the AMC income also proportionately increase.

Nitin Gandhi: So, it will remain aligned with us and after that we will have the choice to take some effect if somebody independently fix up the AMC?

B. Sharat Chandra: Basically, if you are asking after 12 years the contract gets extended? We actually do not have any plans beyond a 12-year period as of now.

Nitin Gandhi: I am just assuming some hypothecation. So, that's why I was trying to put some terminal values. In next year maybe some more questions I will come back to you.

Moderator: Thank you. Next question is from the line of Sudhakar Rao from Transparent Securities Private Limited. Please go ahead.

Sudhakar Rao: Yes. Good evening, everyone.

Moderator: Sir your voice is very low. Use your handset.

Sudhakar Rao: Good evening, everyone. Can you hear me?

Moderator: Yes, please go ahead.

B. Sharat Chandra: Yes. Good evening.

Sudhakar Rao: Yes, I could log in very late. So, please bear with me if I am repeating any of the questions. First of all, congratulations for launching the new bus with Blade Battery technology. Okay. Now, coming to the number for this quarter, I was expecting much better numbers on sequential basis, but it did not happen. I think many of my previous speakers must also be perturbed by this not ramping up the production on expected lines. Even the last quarter, you had said that we will be doing at least 1,000 in the second-half of the year, but that still seems to be not possible as of now. So, that you can answer me. And the next question is when will the fully automated robotic

plant be ready, because it is high time, even the EPC contractor domain mega was even in the way back in July '23 with the completion period of targeted 12 months should have been over by July '24. I wonder it's one and half years and MAL is their masters in executing huge projects and not done for its own subsidiary. Any reasoning procurement, your robotic AI-based machinery or any other reason, please if you could clarify on that?

B. Sharat Chandra: Basically, your first question, we have clarified to earlier investors, again we will clarify. So, as you are aware, we are in the continuous process of streamlining the production as we are ramping up the operations in the new plant. While the initial guidance was about 1,500 EVs for this year, we now foresee a revised target of about 1,200. And this adjustment reflects our commitment to prioritizing quality and operational efficiency over sheer volume. And on a sustainable basis, we have been growing, and we would like to keep this sustained growth and creating long-term value for investors, we are fully committed and the production numbers for the first three quarters have set the solid base and with the upcoming ramp up, we are very positioned to achieve this revised target. This quarter we have invested time in optimizing our production process and scaling up our supply chain to ensure smoother execution for significantly larger orders in the future. And as far as the plant CAPEX is concerned, the civil work, as far as MEIL target is concerned, the civil construction for Phase-II is at the advanced stage. We expect that to be completed in the next three to four months. As well as fully automatic robotic is concerned, it may take about six months' time, because we have negotiated with vendors and then we are in advanced stage of placing the orders and it may take about six months' time for setting up the plant. Phase-I plant is a conventional one. Phase-II is with robotic.

Sudhakar Rao: What is the capacity of Phase-I?

B. Sharat Chandra: It's about 200 numbers per month and the civil work for Phase II is almost getting ready and our capacity may be reaching about 5,000 numbers in next 4-5 months time.

Sudhakar Rao: The 200 per month is the same as the old unit at Jadcherla that was shifted. That was also about 1,500 I think.

B. Sharat Chandra: It was not for 200 number, it was about 1,500 per annum

Sudhakar Rao: So, this addition of new capacity is in phases or separate lines for each unit or how it takes place?

B. Sharat Chandra: We have actually two body shops; body shop-I and body shop-II. One of the body shops we started where we partially commenced the operations in this year, the other body shop is in advanced phase of getting completed.

Sudhakar Rao: I wish it was hurried up because already we have huge orders and competitors are delivering more number and already we have incurred about 2 crores of penalties for delay. My worry is hope it won't end up in the cancellation or anything like that. Okay. Coming to my other question, the Government of Maharashtra has announced that it had entered into MoU to invest up to 3,000 crores to EV-related projects. Is it BYD passenger car unit that is being planned?

- P. Hanuman Prasad:** This is Hanuman here. I think it is nothing to do with BYD car facility and as a part of business exploring further opportunities just we registered our expression of interest with that in the form of non-binding MoU which is related to EV business only.
- Sudhakar Rao:** So, similar to my other question, in the last AGM, our CMD spoke about the company's plans to diversify into Battery Energy Storage Systems, (BESS) and incidentally MELS signed an MOU with Telangana government for investing up to 3,000 crores for setting up BESS. Am I correct in guessing that it will be done by Olectra?
- P. Hanuman Prasad:** I think from MEIL side what they have signed actually I think we have no role and coming to the second part of your question, BESS, as a part of exploring the business opportunities, we are striving to know, obviously, we have to know what are the opportunities and financial and operational feasibility once we get the clear cut reports actually. Board will take final call and at appropriate time we will come back to the investors.
- Sudhakar Rao:** Okay. Lastly, as you are aware, this is a silver jubilee year for the company. So, the best way for you to reward all the long-term shareholders, eagerly waiting for you ramping up a production, etc., it would be best to reward them by achieving your full capacity of 10,000 buses in this year at least?
- P. Hanuman Prasad:** Sure ji. We noted. And as you are aware, we are striving to move forward in that direction only. I hope you understand.
- Sudhakar Rao:** Yes, BEST reward. Please. If the promoter also listens to the shareholder hopes, maybe it will be good.
- P.Hanuman Prasad:** Noted, noted your good words. Thank you, ji.
- Sudhakar Rao:** Okay. Thank you so much.
- Moderator:** Thank you. Next question is from the line of Gaurang from Utility Unified. Please go ahead.
- Gaurang:** Yes, hi. So, recently in Delhi, we launched the Blade Battery technology, and I was listening to the interview of our M.D. K.V. Pradeep, sir, wherein he mentioned that the bus can travel approximately 500 to 700 kilometers. So, are we going to use the same technology for electric trucks as well?
- B. Sharat Chandra:** See, as of now, basically we are in the process of now homologation. It will take about six months time. Initially to start with, we will be introducing buses. So, at appropriate time, once we have more clarity, we will come back to the investors.
- Gaurang:** So, are we going to use this BYD blade technology in this 10,200 buses order that you mentioned?

- B. Sharat Chandra:** We have to basically come back because after we complete our homologation, which may take about six months' time. So, it's a business decision which we may have to take.
- Gaurang:** Okay. And I am assuming this would be a perfect product fit for Fresh Bus who is one of your customers into intercity business. So, have they shown any interest in this particular technology?
- B. Sharat Chandra:** We will come back at appropriate time because lot of private players we have been receiving continuous enquiries because of the advancement in technologies and because of the larger number of kilometers which it can run on a single charge. So, a lot of enquiries have been received, and we received a very, very humongous response and enquiry from our visitors. We are confident that this platform will definitely enhance to build our presence in the private segment as you rightly said.
- Gaurang:** Yes, yes, yes. It's going to be the USP because I am studying the competitors, and no one has this excellent technology of going so long like 500 to 700 kilometers. I think it's going to be the USP and the earlier that we get into this, it will be beneficial for us. Yes. So, my last question is with respect to electric tippers. And in the last quarter I had mentioned about Borivali-Thane Tunnel, which is being constructed by Mega Engineering basically and I had shared one article where they said that more than 1,000 to 1,500 tippers would be required. So, have we got in touch with their team in terms of, if we can deploy electric trucks for that project?
- B. Sharat Chandra:** As of now actually it has not progressed. It remains status quo. So, we keep exploring and we are doing continuous demos and trials at various project sites. We hope to receive orders in the near six months to one year. And our R&D team has been working on, introducing various other products in that segment. At the appropriate time we will come back as the traction happen. Because as of now, as you are aware, it is in a nascent stage, so adoption from conventional to EV truck segment is taking more time. So, we expect the traction to happen in near six months to one year.
- Gaurang:** Okay. Any order book that we have for electric tippers right now?
- B. Sharat Chandra:** Come again?
- Gaurang:** Do you have any orders for electric tippers in hand?
- B. Sharat Chandra:** As of now, we are receiving a lot of enquiries. We have been doing a lot of trials. As of now, the enquiry to order has to fructify. We are expecting in the next six months' time.
- Gaurang:** That is good to know. Thank you so much for answering and wish you all the best for the last quarter. Thanks so much.
- Moderator:** Thank you. Next question is from the line of Saji John from Geogit Financial Services Limited. Please go ahead.

- Saji John:** Congratulations, sir for the good set of numbers. Sir, actually my question is regarding any order that you participated, and you could not become an L1 bidder.
- B. Sharat Chandra:** This is a continuous process. So, we have been bidding and see, there are competitors in the market. So, wherever we could not get the orders, the others have won the orders. But the opportunity for EV segment is quite enormous as we have discussed in the past. And we have actually edge in terms of technology compared to others as of now as our buses have clocked more than 30 crores kilometers on Indian roads.
- Saji John:** So, if I ask you, sir, on the e-PM Seva Services that any order that we have listed?
- B. Sharat Chandra:** One minute. My colleague will clarify on the e-PM Seva.
- Management:** As you see, we have been bidding strategically by keeping the good margins in mind for the Olectra as well as for our strategic partner, EVEY TRANS Private limited. So, we have good orders in place and as a continuous process, we will be winning few tenders, and we will be L2 or L3 in a few tenders. So, this particular e-PM Seva we haven't won any orders, but if you see in the previous orders in the BEST or MSRTC, the largest orders we have won and we are also in L1 for A few other tenders also in market. I hope I have answered your question.
- Saji John:** Fair enough. Sir, my next question is regarding the current order book that we have. Around 2023, like if I go by the numbers you have around 8,000 kind of orders that you have total and around 12 to 18 months you need to execute. So, like how much is that penalty like we have to be incur like going forward.?
- B. Sharat Chandra:** I think we have clarified in the past, we would like to clarify again. So, basically, this EV industry is at the nascent stage and under the GCC model, the scopes and responsibilities are defined wherein the operating company, which has won the order has to deliver the buses and from the STU side, they need to arrange depot space and. charging electric power connections. So, these are the two scope of work. And for example, in the case of a large order like MSRTC, almost 200 depots are required to be opened. So, it's a continuous process. They need to allocate space and create the depot space and accordingly we will manufacture, and supply and it is mutually beneficial for both STU as well us as it is operationally in terms of revenues, it is highly remunerative for the STUs. As of now, no penalties have been charged to Olectra.
- Saji John:** There is a scope of negotiation, is there, right?
- B. Sharat Chandra:** Correct. Absolutely.
- Saji John:** So, on the truck side, sir, you don't have any sales for this quarter, right, sir?
- B. Sharat Chandra:** As of now, we have not actually sold any truck tipper this quarter. We expect orders to come in, in the next six months to one year as we are doing lot of trials and demos across various project

sites of infra companies and the fructification of enquiries to order we hope in next six months to one year.

Saji John: So, next year is where you will be having more numbers coming into the work, right, sir, that we can hope that you will be delivering on your orders?

B. Sharat Chandra: Yes, correct.

Moderator: Thank you, sir. That's all from my side.

Moderator: Thank you. Next question is from the line of Varun Gupta, an individual investor. Please go ahead.

Varun Gupta: Hi, am I audible?

B. Sharat Chandra: Yes.

Varun Gupta: So, I think congratulations for the great set of numbers and I think the whole Olectra team has to be appreciated and congratulated because I remember in 2020 we did around 200 crores of sales or revenue a year and probably we will touch 2,000 crores this year. Hope so. So, I think your team should be appreciated for that. So, having said that, I have a couple of questions and I think you already have clarified, but again, this HRTC tenders which is a same tender we got L1 3-4 months back and still we haven't got the order.

B. Sharat Chandra: Yes, yes, correct, you are right.

Varun Gupta: So, my question is that how it is working? Even when we say L1, we are that is lowest bidder on price point, then there are further negotiations, and they are taking 3-4 months just to give a order. Is my understanding correct?

B. Sharat Chandra: Yes.

Varun Gupta: Okay. And Northwest is the case with your Karnataka tender?

B. Sharat Chandra: Northwest also, the tender is recently opened, we were L1 and currently the order is under negotiation.

Varun Gupta: Okay. My last question. See, in this last one year, I don't know if I am correct or not, but it seems that the government orders, the pace has become slow. If you remember that CESL tender, a big one, I think 3,800 buses, it started last Feb, we are again on 3rd now from tomorrow and it has not closed. Any reason the government has gone slow or how the overall scenario looking from the government side? And adding to it, how many tenders or for how many buses we have already submitted the bids? These are the two questions.

- Management:** I think as of now, if you ask us about 30,000 plus of buses orders has been finalized in India and we have won about 12,000 buses till date, out of which we have delivered more than 2,400 buses and as of now, we have about 10,200 buses order Like you said, the CESL and another orders which came at later stage, in which various OEMs have participated in those tenders and those tenders are not yet finalized because of multiple reasons. Few OEMs were asking for the payment security mechanisms where the government need to confirm or give a guarantee on the payment. So, due to these kind of issues, the finalization of LoIs and signing of agreements were pending.
- Varun Gupta:** Got it. So, how many tenders have we already submitted the bids like if you have a ballpark number one to 10 or the number of buses we have submitted?
- Management:** Since the inception of the e-bus division -
- Varun Gupta:** No, no, not submitted, which we have not received, which is under submission and progress.
- Management:** Okay, which is under submission and progress is like I said, HRTC, we have submitted and we are waiting for the final negotiation to happen and are L1 in NW Karnataka and there is a 140 bus tender from Naya Raipur and there is a tender for final buses from IIT and there is a recent depot tenders from Rajasthan state, STU which is about 200 buses, and there is a tender from UPS entity which is NCC and all the OEMs in the country are asking this to convert to GCC. Yes. These are the tenders which are currently.
- Varun Gupta:** Thank you so much. All the best for next quarter. I hope we touch 2,000 crores this year. All the best.
- B. Sharat Chandra:** Thanks a lot for your nice words.
- Moderator:** Thank you. Ladies and gentlemen, we will take this as the last question for the day. I would now like to hand the conference over to the management for the closing comments.
- B. Sharat Chandra:** Yes, we thank all the shareholders who have participated and have been very supportive in your company's growth journey and the patience, and the faith reposed in your company and we expect good growth on both in terms of consolidated revenue and profitability in this financial year. Thank you very much.
- Moderator:** Thank you. On behalf of Axis Capital Limited, that concludes this conference. Thank you all for joining us and you may now disconnect your lines.