



**“Olectra Greentech Limited Q1 FY 2026 Earnings  
Conference Call”**

**August 13, 2025**



**MANAGEMENT: MR. SHARAT CHANDRA – CHIEF FINANCIAL OFFICER,  
OLECTRA GREENTECH LIMITED**

**MODERATOR: MR. KAPIL SINGH – NOMURA**

**Moderator:** Ladies and gentlemen, good day, and welcome to the Olectra Greentech Limited Q1 FY '26 Earnings Conference Call, hosted by Nomura.

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 this conference 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 Mr. Kapil Singh from Nomura. Thank you and over to you, sir.

**Kapil Singh:** Good evening, ladies, and gentlemen. On behalf of Nomura, I welcome you to this call. It is our pleasure to host Mr. Sharat Chandra – CFO, Olectra for this call. Sir, over to you to take this forward.

**Sharat Chandra:** Yes. Thank you, Kapil. Good evening and a warm welcome to all of you who have joined us today for Olectra Greentech Limited Earnings Call for the Q1 '25-'26. We are taking as read the presentation which is put on our website along with a safe harbor statement thereon.

We are pleased to state that the company showed steady growth in consolidated revenue and profitability for the Q1 versus corresponding quarter of last year. We have delivered 2,879 electric vehicles which include 2,812 electric buses and 67 electric tippers till 30th June 2025.

Now some of the key highlights I would like to present before we delve into financial performance. Let me summarize them for you at a glance:

Olectra buses have successfully covered more than 44 crores kilometers across pan-India. This has led to the reduction of approximately diesel consumption of 135.4 million liters, which in turn has reduced CO2 emissions by about 362.8 million kgs, which is equivalent to planting 16.8 million trees.

In terms of deliveries:

The whole industry has been having headwinds with regard to supply chain constraints. Despite this, Olectra with cumulative deliveries of 2,812 electric buses has been a leading performer and ranks in the top two in terms of total deliveries till date. We are completely focused on the pain points and addressing the challenges, and we will be striving to reach to number one position in financial year '25-'26.

As you are aware, we have discussed in the past, it is no longer a demand constraint and strong demand continues with the company's net order book of electric vehicles stands at 10,193 numbers as of 30th June 2025.

To recap:

We have unveiled our latest technology advancement, the blade battery technology at the Bharat Mobility Global Expo 2025. And we are pleased to inform that the homologation process of this bus in advanced stage is expected to be completed in this month. And we are planning to commercialize small quantities in Q3 onwards. With its cutting-edge technology and design and exceptional energy density, the blade battery promises not only longer ranges, but also a faster charging time, ultimately enhancing the performance, safety, and reliability. The performance is expected to be 30% better, which is achieved due to lighter weight batteries and 30% lesser than previous batteries.

So, our philosophy is to continue focus on our increasing our manufacturing capacity and enhancing our technology capabilities. 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 let me take you through the financial highlights for the Q1 on a consolidated basis:

Revenue for Q1 stood at Rs. 347.22 crores, a steady 11% growth over that of last year. This was led by top-line growth in both the business segments. In terms of electric vehicle deliveries, we did about 161 vehicle deliveries in Q1 vis-à-vis 156 last year.

We had an impressive EBITDA of Rs. 55.97 crores against Rs. 50.51 crores in the previous year, same quarter, marking a steady growth of 11%. The profit before tax surged to Rs. 33.8 crores this quarter, a 6% increase from previous year's same quarter of Rs. 31.85 crores. The profit after tax stands at Rs. 26.03 crores, up by 7% compared to the previous fiscal Q1 of Rs. 24.25 crores.

And thank you, and over to Nomura team for the Q&A.

**Moderator:**

Thank you very much, sir. We will now begin the question-and-answer session. We have our first question from the line of Rishabh Agnihotri, an individual investor. Please go ahead.

**Rishabh Agnihotri:**

Hi, sir. Thank you for the opportunity to give me the question. I have just three questions. The first thing was, have you applied for the PM E-DRIVE tender, which is, I think it works and should be opening anytime soon? The second question is around the blade battery technology, what's the range we are looking at from a battery range operation perspective? And the third question is, I mean, where are we from a capacity utilization perspective? How many buses per month are we at as of now post the June quarter? These are the three questions.

**Sharat Chandra:**

Yes. Thank you very much. Regarding first question, regarding PM E-DRIVE. The PM E-DRIVE tender is actually getting extended in terms of utilization by two years, from 31st March, '26, to 31st March, 2028. The total outlay is about Rs.10,900 crores for equivalent buses with 9

meter of 2,300 and 12 meter of 8,600 with a subsidy component of Rs. 3,585 crores. Olectra is very much in the race. We are going to participate in these tenders.

**Rishabh Agnihotri:** So isn't there an active tender right now? I mean, I am assuming the bid submission has also been submitted.

**Sharat Chandra:** The bid date is 11th September, 2025.

**Rishabh Agnihotri:** Got it, sir. Thank you.

**Sharat Chandra:** And the second question is with regard to blade battery. In terms of performance, it is going to increase the mileage by about 30%. So, as far as Olectra is concerned, we have showcased two models, 9 meters and 12 meters. So 12 meters, we can expect from a current 300 kilometers range to about 400 kilometers range.

With regard to last question of capacity. See, currently, we are underutilizing our capacity. So we are now striving to basically increase our production capacities in the coming quarters. In the second half we are expecting a significant ramp-up. The company is geared up. And we are actually in the process of streamlining the production. And as we ramp up our operations, the initial guidance what we gave of 2,000 numbers in Financial Year '26, we are on the right track to achieve this target. And we started seeing strong traction and ramp-up is happening from Q2, followed with acceleration in Q3 and Q4. I hope you are clarified.

**Rishabh Agnihotri:** Yes, sir, that's helpful. Any numbers you can give us, like how many buses?

**Sharat Chandra:** As of now, I will not be able to give the exact numbers quarter-wise breakup. But overall, our target of 2,000 remains intact as of now for the financial year.

**Rishabh Agnihotri:** Noted, sir. Thank you for the questions. That's all.

**Moderator:** Thank you. We have our next question from the line of Ashish Khurana from ANK Capital. Please go ahead.

**Ashish Khurana:** Good afternoon, Sharat sir and everyone. Sir, my first question was regarding the interest outgo. So there is a 30% odd decrease there. But I think we would still be drawing from our Rs. 500 crores sanction. So I just wanted to check this decrease is due to lighter working capital requirements, or is there any change in terms of any decision to capitalize the interest costs? So why this decrease in Q1?

**Sharat Chandra:** Okay. Yes. See, basically, as you must be aware, our major cost of finance is relating to the letter of credit discounting. So, this quarter our discounting cost has come down in terms of both rate and the quantum, so that is primarily the reason for the lower interest cost. As per the accounting standards, the interest on the term loans before commercial production is getting capitalized.

**Ashish Khurana:** Got it. Sir, my second question was a bit broader one. So it is not a suggestion just a question. So I understand that the BYD's platform has various advantages, stability, safety, some architecture-related advantages and so on. But one argument that could be made was that we should probably reduce our supply chain risk and not only depend on one supplier. And in China and other parts of the world, there are various options of different platforms and battery cells. And so our 50-plus member R&D team should maybe not work on trucks and focus on a different platform for e-buses because that is their order right now.

Obviously, I mean, our management is very esteemed and they would have discussed this internally also this option. So I just wanted to understand, are there reasons to only work with BYD at this point? Because there could be contractual reasons or the technology shift is too big for us to work on another platform, so any color on that you would like to give?

**Sharat Chandra:** Yes. See basically, I just wanted to clarify, we have a very strong relationship with BYD. Nevertheless, our R&D team has been working on different platforms and we have been working and testing on various models other than BYD platform. So obviously, we are geared up to introduce new models as and when the R&D commercialization aspects are completed and we will notify to the stock exchanges in case of any major changes, any new product introduction etc. So, we are definitely diversifying. And as we have mentioned earlier, our localization philosophy is a continuous process. We are working on the localization of entire components except the battery and battery management system.

And globally, the entire industry is dependent on China. If there are really serious concerns, it will impact the entire industry, not only Olectra. But we are confident and we are hopeful that there will not be any kind of such situation because we have been discussing this question for the past five years. And as of now, both the countries are interdependent on this aspect. I do not think we are going to see any great issues as of now. I hope to have clarified you.

**Ashish Khurana:** Sir, one small clarification here. So we are working on different platforms which includes buses, right, so there is no clause that says that you only have to work with BYD for buses, right?

**Sharat Chandra:** Absolutely. There is no such clause. We are working on alternative platforms.

**Ashish Khurana:** And sir, one more last question on our insulator business. So, it has been very profitable this quarter, so I just wanted to check, I mean, is it related to some one-off exchange rate fluctuation thing? And secondly, any impact on tariffs? Because I think we also supply a fair bit to USA in terms of our insulator business. So just these two questions on the insulator part.

**Sharat Chandra:** Yes. See, we have been striving to improve the operating margins at the GM level. We have been investing a good amount in R&D design. Design optimization is one of the reasons why we are able to improvise, reduce the wastages, bringing production efficiencies, that is one aspect, and then larger exports with good margins. So it's a mix of both export and domestic sales. And as far as the U.S. tariff is concerned, it does not impact us. See, finally, this is an

important, very critical raw material as far as transmission lines are concerned, it may not impact. We have actually raised it with our customer with regards to what is their impact. We have not yet received any response. But insulator being a critical input for transmission line, as far as Olectra is concerned, we are hopeful of not getting any impact on account of the tariff rise.

**Ashish Khurana:** I have got it, that is promising. I wish you all the best for the rest of the quarter, sir. Thank you.

**Sharat Chandra:** Thank you so much.

**Moderator:** Thank you. We have our next question from the line of Vijay Pandey from Nuvama Wealth. Please go ahead.

**Vijay Pandey:** Hi, sir. Thank you for taking my question. I have a couple of questions. One on the, EV sales, so what does the battery prices are looking like? Have you got any benefit in terms of lower battery prices over the last six months or last quarter as compared to last year? And how do you see the trend going forward?

**Sharat Chandra:** See, as far as the battery prices are concerned, it is definitely looking down. The prices are coming down, and we are having very good negotiations with our vendors to reduce and take the impact of reduction of prices. So obviously, whatever battery prices is coming down, we are getting, in the sense, our cost of production, our cost of manufacturing comes down. And we hope the trend continues.

**Vijay Pandey:** Okay. Do you pass on this price decline to the customers or is it, like, goes directly into the P&L? The reason I am asking is our segment margin for electric vehicles is coming down, but battery prices are also coming down even though our utilization is increasing. So, just want to check, how should we look into it?

**Sharat Chandra:** I think we have clarified in the past. See, our business model is gross cost contract model wherein, Olectra's responsibility is to manufacture and supply the buses as per the tender conditions given by the end customer, which are state transport utilities. The operating arm of the group, EVEY Trans, bid for the contract and accordingly operate for the life cycle of the project, which is about 10 to 12 years.

So, see, when we talk about the margins, we clarified in the past, I would like to clarify again. The operating margins in terms of percentage may come down, but in terms of absolute value it is going to go up because of the volume which we are targeting. See, last year we did about 972 buses with a margin of about 14% plus. But as the volume goes up and as the competition goes up, when we talk about 10,000 numbers, we expect in terms of operating margins in percentage terms may come down, but on overall in terms of absolute value, it is expected to go up. That is the first question, I think I clarified on that.

See, as far as the Q1 margins are concerned depends on the product mix. So, we have, as explained earlier, I would like to clarify, we are present in all the applications. We have coach buses, which operate on intercity, 12 meters which runs intracity, and 9 meters which runs intracity. So quarter-on-quarter, it depends on the sale mix, which could have impact in terms of absolute value of margin.

- Vijay Pandey:** Okay. Any reference you are seeing in terms of what is the mix looking like, like is it intercity, intracity, anything in particular you are seeing from the state government side?
- Sharat Chandra:** Olectra has an order book of about 10,000 plus numbers. We have a mix of intracity, we have a mix of 12 meters and 9 meters, all put together. Based on the customer requirements, we schedule our production and accordingly deliver as per the customer requirements.
- Vijay Pandey:** Okay. And sir lastly, I just wanted to check about the insulator sales. If you can just give a brief about the regional exposure in North America and other markets, that will be helpful.
- Sharat Chandra:** Come again, your last bit was not very clear.
- Vijay Pandey:** The insulator sales, what is the like revenue exposure to North America market and other markets like in domestic exports?
- Sharat Chandra:** Yes. Last year, we clocked about Rs. 180 crores. This year, we are targeting Rs.250 Crores, we have an order book of about Rs. 350 crores, as we speak. And we have last year done about 30+% exports, about Rs. 60 crores of Rs. 180 crores we did exports. So export orders also are increasing and we are expanding our presence in African countries. Though our major customer is MacLean Power Systems in U.S., where the geography is North America. So we have actually have been working on introducing various products within the insulator segment itself.
- Vijay Pandey:** Okay. Thank you.
- Sharat Chandra:** Thank you.
- Moderator:** Thank you. We have a next question from line of Deepak Poddar from Sapphire Capital. Please go ahead.
- Deepak Poddar:** Okay. Thank you very much, sir, for the opportunity. Sir I just wanted to understand first on the, I mean, our volume and delivery schedule that we are targeting. Because this first quarter we did only 161 in units and we are still targeting 2,000. So that left us with, I mean, more than 600 per quarter kind of a volume, I mean, which to me looks very steep, given the target of 2,000 buses that we have. So, can you throw some more light that how are we able to achieve that or how are we going to achieve this would be very helpful.

- Sharat Chandra:** I think last quarter itself we have mentioned about the Q1 numbers is going to be subdued and we have seen a strong surge and traction in Q2 onwards in terms of ramp up of production. And Q3 and Q4 will be we are going to accelerate. We are actually optimizing the production processes, scaling our supply chain in terms of smoother execution to execute these numbers. So, we are confident as of now that we will be able to meet this target by year-end.
- Deepak Poddar:** Okay. So what sort of volume we might be targeting in second quarter, given the surge and traction we are expecting in this quarter? I mean, we are already one and a half months into this quarter, right, so we would have got good sense.
- Sharat Chandra:** I would not be giving you exact numbers but give an indication, it will be definitely more than double in second quarter compared to Q1. And Q3 and Q4 will be our biggest quarters. So H2 is what we are targeting to meet the targeted 2,000 numbers.
- Deepak Poddar:** Okay. So 2Q volume can be more than double as compared to first quarter that we have achieved this quarter?
- Sharat Chandra:** That is what we are targeting.
- Deepak Poddar:** Okay. That's understandable. And in terms of debt side I wanted to understand, given our expansion to 10,000 buses what's buses, so what sort of debt level we might need to add? And what is the incremental keeping that we are targeting in this expansion plan?
- Sharat Chandra:** As of now, we have a term loan sanctioned for about Rs. 500 crores for the new facility. As far as the civil structure is concerned, we are expanding our capacity to about 10,000 numbers with initial capacity of about 5,000 numbers, expandable or scalable up to 10,000 numbers. This is what is the plan we have currently.
- And as far as the working capital is concerned, we are having continuous discussions with our customer, which is EVEY Trans, to basically reduce the receivable cycle. And we are hopeful that this will happen soon because all the major contracts when we talk about the three major contracts in the country. MSRTC, about 5,150 buses. BEST, about two contracts, which could be about 2,400 and 2,100. All the three contracts, financial closures are completed and they are in various stages of documentation. So we are not seeing any major challenges as far as the drawdown is concerned.
- So, as you are aware, this is a capital-intensive industry. And the operating company EVEY Trans is investing on the CAPEX and operating for the entire project cycle. We have currently about Rs. 1,500 crores of debt profile. With this, we are hopeful of managing this financial year. As we see the ramp-up in production and ramp-up in the volumes, we will definitely try to increase our requirements. We are closely monitoring and tracking that.
- Deepak Poddar:** And what is the total CAPEX involved here in this expansion?



**Sharat Chandra:** About Rs. 700 crores is the CAPEX.

**Deepak Poddar:** And by when we are expecting it to come on stream?

**Sharat Chandra:** So, basically, it is in the advanced stage of construction, it is in progress. By Q4 we will be fully operational.

**Deepak Poddar:** By 4Q of FY '26?

**Sharat Chandra:** Yes, correct.

**Deepak Poddar:** Okay. And just one last thing on the margin front, we mentioned that operating margins may come down as volumes go up, so what sort of steady-state margins range we might want to look at?

**Sharat Chandra:** We are looking at around 12% EBITDA margins , in terms of overall long-term , in terms of volumes and the industry as it is progressing, because of the competition, because of the volumes. Currently, in terms of percentage, it is high, but as we see, it can stabilize around 12%.

**Deepak Poddar:** 12%, okay. That's it from my side. Thank you so much. All the best.

**Sharat Chandra:** Thank you.

**Moderator:** Thank you. We have our next question from the line of Anil, an individual investor. Please go ahead.

**Anil:** Good evening, Mr. Sharat.

**Sharat Chandra:** Good evening.

**Anil:** Sharat ji, I want to know, like see, you gave earlier that March 2024 and then subsequently March 2025 and now March 2026 that we will achieve capacity of 5,000 buses. So, can we expect that this time what you are going to say and confirm is the final one?

**Sharat Chandra:** Mr. Anil, please understand and appreciate the challenges which the industry is facing. So, we are a very conservative company. See, as the volumes based on order production and all that, we have been conservative in investing in our CAPEX, okay? So, currently we have a capacity to make about 10 buses on a single shift, okay. And if there is a need and if the supply chain challenges are not there, we can go up to 20 buses per day. So, the company has been conservative and conserving the cash. So accordingly, we have not drawn a full loan also. So we are definitely on line, on path to meet that 5,000 number before Q4 of this year.

- Anil:** If you remember, like last time I discussed and I asked that whether you are going to utilize the entire fund which you have already lined up for building up the capacity of 5,000 buses per year. You mentioned to me in absolute terms that, yes, next six months we will be utilizing it. I understand that the industry is very nascent, it is going through a lot of technological changes. We are with the company, we are with you, we understand these challenges. The only thing what I am asking is that, see, if you have placed already plant and machinery for the factory, you are very much sure about the capacity going to be in place. Is that you are confirming that plant and machinery what you want is already ordered and it will be in place? And our capacity by end of this financial year will be 5,000 buses?
- Sharat Chandra:** Yes, definitely. We have already placed orders. We are working very rigorously with all the vendors. And as far as the drawdown is concerned, we are going to complete in the next three to five months. And we are definitely hopeful that by Q4 our capacity will be 5,000 plus buses.
- Anil:** So, what you are saying is that in Q1 we have delivered only 160 buses. In Q2, we are going to deliver 300 more buses. And so rest of the 1,500 buses, let's say 1,600 buses for the sake of simplicity, 800 buses per quarter, we are set to achieve those targets?
- Sharat Chandra:** Yes. We are targeting to achieve those kind of numbers, provided there should not be any kind of supply chain headwinds.
- Anil:** Okay. And so we can as well say that next year, definitely for sure we will achieve 5,000 buses as per our target is concerned and capacity in place is concerned?
- Sharat Chandra:** Correct. As far as capacity is concerned, definitely 5,000. As you must be aware, any manufacturing facility do not work up to 100% of its capacity.
- Anil:** Yes, we understand.
- Sharat Chandra:** Generally, 85% is what the production capacity any manufacturing concerned can achieve. So, we are definitely targeting to meet our orders in the next 24 months.
- Anil:** Okay. There is one discussion going on in the market, I do not know whether it is true or not, but just wanted to know from your side being a company representative that Olectra, is the promoter looking to sell this company to pay off his partner's commitment which he has given, Rs. 15,000 crores?
- Sharat Chandra:** No, we are not aware of any such kind of things, nothing of that sort is on the anvil.
- Anil:** Okay. All the best to you and we hope that company will definitely achieve the numbers which you are projecting and we are with the company. Thank you very much.
- Sharat Chandra:** Thank you so much. Thank you so much, Anil ji.

**Moderator:** Thank you. We have our next question from the line of Aniket Madhwani from Steptrade Capital. Please go ahead.

**Aniket Madhwani:** Hello. Good evening, sir.

**Sharat Chandra:** Good evening, Aniket.

**Aniket Madhwani:** Sir, my question is with regard to the recent order book. So, sir, as per the news, the order from the MSRTC was cancelled, right? An exchange short of clarification. So, sir, what is the status of the 5,150 e-buses from the MSRTC?

**Sharat Chandra:** Yes, 5,150 MSRTC contract is very much under execution. The company is working to complete the targets what has been discussed and mutually agreed with the customer. So, there is no issue with regard to the order as of now. So, whatever you have mentioned is only a media news. We have not received any formal notice of cancellation at that particular point in time. And we maintain very, very good communication with them and are committed to fulfilling the contract as planned. The project holds significant importance for both the parties.

**Aniket Madhwani:** Okay. And sir, what will be the capacity utilization? So, actually you were contemplating to increase the e-bus capacity from 200 to 400. So, what is the capacity? And second thing is, sir, actually we want to know about the tentative production for FY '26, what will be the turnaround rate for FY '26?

**Sharat Chandra:** As far as capacity utilization is concerned, it is currently at a low level. So, we have about almost 2,500 to 3,000 buses capacity on annualized basis, where we have achieved about only 161 buses in Q1. So, as we progress, ramp up our supply chain and ramp up our production, we will be having better utilization of our capacity. And as far as the numbers are concerned, as I clarified to fellow investor just shortly, we are seeing strong traction and ramp up is happening from Q2 with further acceleration in Q3 and Q4.

**Aniket Madhwani:** Sir, what I am asking, so it was contemplated to increase the monthly output from 200 buses to 400 buses, right? So, at this present, so suppose in July month or June month, how much e-buses that you produce? So, actually I am asking about only monthly run rate, not about quarterly.

**Sharat Chandra:** Yes. Monthly run rate as of now, we have taken note of your point. We are at present disclosing on a quarterly basis our numbers. As far as monthly is concerned, we will deliberate internally. And over a period of time as we progress, we will take a note of your point and we will come back with regards to monthly.

**Aniket Madhwani:** And sir, in Q1 you mentioned 161, right?

**Sharat Chandra:** Correct.

- Aniket Madhwani:** So sir, you mentioned that 168 for Q1, right? So, sir, earlier monthly run rate was mentioned as 200, right? So, if we consider quarterly, then it would be somewhere around 600, right? So, against 600, you have achieved only 168. So, it seems very low capacity utilization, right, as compared to the commitment.
- Sharat Chandra:** Yes, I would like to just clarify. We have mentioned 200 numbers will be the capacity what we are going to have per month, okay? That means about 2,500 numbers is what the capacity, production capacity. So, our target for this year even in the previous Q4 number or Q4 earnings call, we have mentioned about 2,000 numbers out of which we have already clarified that Q1 will be subdued, Q4 we did about 219 numbers and Q1, we have done about 161. And Q2, we are seeing a strong traction. And Q3 and Q4, there will be acceleration. Overall, at this juncture, we are sticking to our 2,000 number target.
- Aniket Madhwani:** Okay, 200 number as a target for a monthly target means annual it would be 2,000?
- Sharat Chandra:** No, annual target of 2,000 numbers.
- Aniket Madhwani:** Okay. Understood.
- Sharat Chandra:** And not monthly target.
- Aniket Madhwani:** Sir, what are the key reason for the shortfall in the committed number? What are the key reasons for the same?
- Sharat Chandra:** So, I think I will have to mention about the industry landscape, the supply chain ecosystem. See, overall, in terms of numbers, Olectra have supplied about 2,879 electric vehicles. And compared to entire competition, viz. Tata Motors, Switch Mobility, PMI, Foton and others, so we are ranking in terms of overall electric buses delivery till date, right from inception, in second position. So, when we talk about number this quarter, we are standing in the forefront.
- So, there are supply constraints, supply challenges, there are raw material import issues, there has been earlier battery norms which were there like stringent battery norms which were introduced which impacted in terms of getting the deliveries and making the product. And there has been war impact also, Ukraine, Russia war impact with regard to getting some raw materials. I am talking about the industry. So as far as we are concerned, this applies not only to Olectra, it's to the entire industry this issue is there. So, we are now overcoming, we are working very closely with our vendors, we are doing lot of localization. So, we are hopeful to meet the targets set for this year.
- Aniket Madhwani:** Sir, when you say supply chain issue, so it is with regard to the semiconductor and the battery pack? Or apart from that, is there any other issue as well?
- Sharat Chandra:** It is relating to components relating to chassis and components relating to battery.

- Aniket Madhwani:** Okay. Understood. Thank you.
- Sharat Chandra:** Thank you.
- Moderator:** Thank you. We have our next question from the line of Bala Murali Krishna from Oman Investment Advisors. Please go ahead.
- Bala Murali Krishna:** Hi, good evening Sharat ji. So, regarding again upcoming or since the last many months we have not won any big order in between we received Himachal Pradesh order. So, what is the pipeline? And having such an order book which is not executable as of now, I do not think that we can be able to win even orders in the upcoming till next one, one and half year because everybody want to get the bus delivered there. We are not in a position to deliver any buses even after two years, even if we won the orders. So, how do you think this order book will help in the coming years? And when do you think that the issues will be sorted out?
- Sharat Chandra:** Yes. Mr. Bala Murali Krishna, I would like to basically again reiterate. In terms of overall tenders, not many tenders have been floated. And in the first phase, we have clarified first phase of PM E-DRIVE, we did not get any order. As of now, the PM E-DRIVE has come out with a revised schedule, it is about 10,900 buses with subsidy of about almost Rs. 3,500 crores. In terms of value, it is also about almost Rs. 10,900 crores. So, we are definitely participating.
- We have the extension, because of under-utilization, the government has extended the scheme for another two years. The corpus has not been utilized. So, you have to understand the industry landscape where we are, the ecosystem constraints are there. We are working very closely, monitoring very closely. We are definitely targeting to meet our order book in the next 24 months. I hope I have clarified.
- Bala Murali Krishna:** Yes. You have given a good clarification. And regarding the PM E-DRIVE, so what do you think that how much order we can grab? Initial stages, we were not able to get anything. So, even if the extended the extended order also, so what do you think of how much we can get it from this one?
- Sharat Chandra:** Yes. Just to reiterate our philosophy, we are definitely working on profitable margins, net profitable margins. If the margins are not healthy, we will not look at top-line. Our philosophy has been more bottom line driven rather than top line. So if the price is not attractive, we will not bid for it. But we are hopeful in the new tender, wherein definitely with Olectra being a front-runner in terms of getting orders, so as far as the market share is concerned, we are having about almost 30%, 35%. So, we are hopeful of getting good number. We cannot mention any exact quantity. Definitely, we are going to participate.
- Bala Murali Krishna:** Good, sir. Lastly, on the execution side, when we are submitting now 2,000 buses, do you see any unforeseen downside risks because we have not met the guidance in the last few years because of a lot of issues, supply chain issues, battery norms? As of now maybe you would have

got better clarity as most of the five months finished in this year, do you see any unforeseen risks where we may not be able to meet the target?

**Sharat Chandra:** As of now, I am not foreseeing any kind of this thing. As of now, we are geared up to meet the targets. So, we are striving hard and we are working on pain areas and we are definitely trying to mitigate whatever issues or risks are there, concerns are there. As of now, we are sticking to our guidance of about 2,000 numbers.

**Bala Murali Krishna:** Any update on that, sir? So have you received any orders or other orders from the department? We are in discussion with our parent company, also MEIL. Is anything materialized yet?

**Sharat Chandra:** Yes. I think the biggest order in terms of outright sales we got from HRTC, you are aware, 297 buses, so which we are going to deliver the first proto in the month of September. And we are hopeful of completing the entire order book by March, 2026. As far as our parent company is concerned, we are in continuous discussions with the management of our parent company. And recently, we got an order for about 70 electric tippers from them. And we are planning to execute the balance quantity in this quarter.

**Bala Murali Krishna:** Okay. That's all from me. Thank you.

**Sharat Chandra:** Thank you.

**Moderator:** Thank you. We have our next question from the line question from the line of Nihar Mamtura, an individual investor. Please go ahead, Nihar, we request you to unmute.

**Nihar Mamtura:** Hey, thanks. All my questions have been answered. So, thank you so much. I just look forward to positive results in the next three quarters.

**Sharat Chandra:** Thank you so much, Nihar.

**Nihar Mamtura:** Thank you, sir, all the best.

**Sharat Chandra:** Okay, thank you.

**Moderator:** Thank you. The next question is from the line of Rakesh Tikshandani from RT Associates. Please go ahead. Rakesh sir, are you there? As there is no response from this participant, we move on to the next one. The next question is from the line of Mohit Agarwal from Harit Exports. Please go ahead.

**Mohit Agarwal:** Yes. Hi, Mohit here, how are you?

**Sharat Chandra:** I am fine. How are you, Mr. Mohit?

- Mohit Agarwal:** Fine. Okay, now, regarding your production and your numbers we have been hearing that you will be ramping up the production since the last two, three years. A couple of years back you all had some battery issues, the approvals from the government which came in. Last whole year also was a washout, the numbers did not come in. This year also, you are promising 2,000 buses. But what's the assurance it will happen? Your first orders are in hand, the plant is in hand, the group is rock-solid, debt-free group. I just do not know what's going wrong and why. Your partners BYD, they are the best in the world. MEIL Group is rock-solid. So, it's really sad to see that the performance does not come in terms of numbers.
- Sharat Chandra:** I think, Mr. Mohit, I appreciate your observation. I think I have clarified very clearly, the industry landscape and the supply chain ecosystem, that answers most of your queries. It is not only Olectra which is not able to deliver, it is the entire industry has been facing the supply chain constraints.
- Mohit Agarwal:** But we should be different from the industry though. That is why we are Olectra and that is why we are MEIL, no? If we will keep talking about what is happening in the industry, then how are we different from others?
- Sharat Chandra:** We are in top two, as we speak. In terms of overall cumulative numbers, we are striving to be number one in this year. Whatever challenges we have been facing, obviously, Olectra is a part of the entire industry. Though we are different in terms of, yes, we are having a strategic partnership with BYD, which is the world's largest EV manufacturer and access to their best technologies, we have a very strong parent. So nevertheless, this will not always help if there are supply constraints. So definitely we have an advantage. We are seeing that that advantage will convert into numbers this year. We are keeping our target of 2,000 numbers definitely this year.
- Mohit Agarwal:** Look, investing with you guys is a no-brainer. The MEIL Group, BYD partnership, orders in hand, plant is up and ready. I do not know why you all cannot. It's just too sad.
- Sharat Chandra:** Mr. Mohit, wish us good luck. Definitely, we are going to complete the target of 2,000 numbers. We definitely require support from investors like you who can push us in terms of motivating. And definitely, we are looking forward to meet our numbers this year.
- Mohit Agarwal:** If you want to physically, we will physically come and push you if required.
- Sharat Chandra:** Please do come. Please do visit.
- Mohit Agarwal:** Thank you. Okay, now tell me one thing. If you are saying Q2 is going to be better, what were your numbers in July until this August? I am sure you cannot disclose the exact numbers, but what were the approximate numbers? Have they improved from Q1 or no? Approximately.

- Sharat Chandra:** See, basically being price sensitive, I think we have clarified in the past, we will not be able to diverge the exact numbers. Definitely, we are seeing strong traction. Ramp-up is happening in Q2. And definitely, you will see the numbers when we publish the results.
- Mohit Agarwal:** Sure. And any news on the BYD --
- Moderator:** Sorry to interrupt, sir, but I may request you to rejoin the question queue for follow-up questions.
- Mohit Agarwal:** Sure.
- Moderator:** Thank you. The next question is from the line of Anil, an individual investor. Please go ahead.
- Anil:** Hello. Sharat ji, can you please tell us this 5,000 buses capacity which we are going to achieve in this financial year-end, out of that, how much will be for the purpose of blade battery technology buses?
- Sharat Chandra:** See, we have not bifurcated anything. We are actually planning meticulously to introduce the blade battery technology itself for the existing orders. So, once we start doing the commercial operations, the homologation process is in advanced stage, we expect that to be completed this month. Once that is achieved, we will start the commercial production and sales in Q3 itself. So, overall 5,000 buses numbers include blade battery.
- Anil:** Yes. But approximate numbers can you say that, like out of 5,000 we will have a capacity of 2,500 buses based on blade battery technology? Because that's the future you are saying.
- Sharat Chandra:** So there is no separate bifurcation because it is going to be assembly. Instead of the conventional battery, there's going to be a blade battery. And accordingly, the chassis and other components, there could be a different design. So overall, in terms of capacity, it is going to be 5,000 numbers, which will have a mix of the conventional prismatic cells to be replaced with the blade battery.
- Anil:** So can we say that, if required, if needed, the entire 5,000 capacity can be of blade battery technology-based production?
- Sharat Chandra:** Yes. Going forward, our objective is to make it blade battery, going forward.
- Anil:** Okay. And any update about the new CEO appointment?
- Sharat Chandra:** So as of now, the Board is actively working to appoint a new CEO. As and when it gets crystallized, the same will be notified immediately in stock exchanges.
- Anil:** So the work is still in progress, can we say that?
- Sharat Chandra:** Yes, yes, correct.



- Anil:** Thank you very much. And all the best to you once again.
- Sharat Chandra:** Thank you.
- Moderator:** Thank you. The next question is from the line of Gaurav from Utility Unified. Please go ahead.
- Gaurav:** Yes. Hi. I just wanted to know, now that we have our order book of 10,000 electric buses in hand, just wanted to know how many batteries, BYD batteries, have reached the Indian source so that we can get an estimate of what would be the production level. So how many of those 10,000 batteries have reached Indian source?
- Sharat Chandra:** Let me clarify, Mr. Gaurav. So basically it's a continuous process. So based on the production schedule quarter-on-quarter, we have to make the financial arrangement in terms of LCs. Once the LCs are issued, they will manufacture and supply the batteries. So it is not that they keep the entire inventory in India. So it's a continuous process, where we have monthly, quarterly cycle. There's a lead time of over 45 to 60 days.
- Gaurav:** Okay. And I know, like, how many have been ordered out of those 10,000 so that we get the fair estimate.
- Sharat Chandra:** So we order on the basis of the production plan for the year. So mutually we continuously discuss. So, we want to basically keep our flexibility, because as the prices of the components are coming down, we will have the flexibility to negotiate and best prices for our company. So it's a continuous process, so I will not be able to divulge how much buses we have already completed orders. But it's like, we can say a good number has been ordered. So we will actually, on a quarterly basis, we review and then take a call.
- Gaurav:** Okay. Got it. I just wanted an update on the MTC Chennai order, like they have released a tender and I believe Olectra is one of the shortlisted candidates, right?
- Sharat Chandra:** Yes. See, basically, we have not won, Olectra has not won this order, it has gone to a competitor.
- Gaurav:** Okay. And other thing is --
- Moderator:** Sorry to interrupt, sir, but may I request you to rejoin the question queue for follow-up questions. The next question is from the line of Aniket Madhwani from Steptrade Capital. Please go ahead.
- Aniket Madhwani:** Yes. Sir, can you throw some light on the segment-wise revenue bifurcation for FY '26-'27?
- Sharat Chandra:** So, when we talk about the overall segment, when we see a top-line of about 2,000 buses, the insulator segment we are targeting about, last year we did about Rs. 180 crores, we are targeting a good jump, about 35% to 40% in Insulator, but looking at the overall number, it will be less than 10%.

**Aniket Madhwani:** Okay. And the other segment, which is insulator?

**Sharat Chandra:** Yes.

**Moderator:** Thank you. The next question is from the line of Tom A. Kadavi from JIT Investment Limited. Please go ahead.

**Tom A. Kadavi:** I have two questions. The first one would be, is there a minimum threshold for order book to sales? And my second question would be, what is the localization to import mix that we have?

**Sharat Chandra:** First question, what is the minimum threshold for?

**Tom A. Kadavi:** Is there any minimum threshold for order book to sales?

**Sharat Chandra:** For order book to sales?

**Tom A. Kadavi:** Yes.

**Sharat Chandra:** Not clear about your question. Because you see, as and when we progress, there is no correlation. See, once we participate and once we get the contract, there is a LOA awarded to the operating company. Based on the LOA and the delivery schedules, the production is planned. Accordingly, we produce and then deliver the buses. So, there is no minimum threshold as such. There are timelines provided by the customer. So, mutually, as per the agreed timelines, we supply the buses.

Second, as far as the localization content is concerned, our company basically complies with all the norms imposed by the regulators. So, we comply with all the norms. And I think we have clarified in the past, the localization is a continuous process. Except the battery and battery management system and some of the components relating to powertrain which are necessarily to be imported as of now. So, other than this, we are developing local vendors and we are localizing the components.

**Tom A. Kadavi:** Okay. Thank you.

**Moderator:** Thank you. The next question is from the line of Harsh Saraswat from Elegant Family Office. Please go ahead.

**Harsh Saraswat:** Hi. So, we are fairly new to the company and wanted to understand if you could walk us through the commercial structure of these contracts, the wet lease model and how Olectra gets the payment and what is the working capital cycle like. That is my only query.

**Sharat Chandra:** Yes. Just as you are new to this company and new to this industrial space itself, so this industry is still, we can say, is at a nascent stage. So, initially, there were no takers from the lenders with

regard to coming forward and lending the projects. Olectra as such, in the initial days, have done a lot of demos across length and breadth of the country. Out of 40 plus STUs we have done the demos and we have showcased our product. So, earlier days it used to be a demand constraint. Now, no longer it is a demand constraint, it is supply constraint which is there.

And as far as the working capital cycle is concerned, it used to be very intensive. More than six months working capital used to be there. Now, we have been striving to improve the working capital cycle. It has reduced to almost, when we talk about 31st March, it came down to almost 60 days. So, on an average, we see the working capital to be anywhere between three to four months.

And as far as the payment cycle is concerned. The operating company, they own the fleet and operate based on kilometers run, assured kilometers given by the contract, the end customer pays per kilometer. The other objective and the advantage is, the NITI Aayog, when they devised the policy of GCC model, they have introduced escrow mechanism so that the cash flows by the end customers, which is the STUs, whose financials are not great, are secured in the escrow account. So, almost two months escrow amounts are deposited in the escrow account. So, generally our associate company, which is a sister company which is owning and operating, they also are able to collect the receivables within 60 to 75 days.

So, as far as we are concerned, the operating company, own the fleet and finance by means of a debt & equity. So, all the major contracts which the group has won in the recent past, when we talk about MSRTC, about 5,150 buses; BEST, the new contract, which is 2,400, extendable to 3,000 numbers; the BEST 2,100 numbers, TSRTC, about almost 450 numbers. All these contracts, the financial closures have been completed. It is in various stages of documentation. So, we are seeing the improvement in terms of working capital cycle to come down from earlier four months to at least three months.

**Harsh Saraswat:** Okay. And in the event of a payment delay or order cancellation by the state authorities, does Olectra also bear any exposure to it, or it is the SPV which is solely liable for it?

**Sharat Chandra:** Basically, the SPV is winning the contract. So, as of now we are not seeing any challenges because it is mutually beneficial for both the companies to basically execute and comply with the contract norms. Because operationally, it is quite economically remunerative for the STUs to switch over to EVs. And our product is proven in terms of technology and performance, Olectra buses have run more than 44 crores kilometers across pan-India, and STUs look forward for our product.

**Harsh Saraswat:** Right. Thank you so much and all the best for the coming quarters.

**Sharat Chandra:** Thank you so much.

**Moderator:** Thank you Ladies and gentlemen, we will take that as our last question. I would now like to hand the conference over to the management for closing comments.

**Sharat Chandra:** Yes. Thank you so much. We thank all the shareholders who have participated, and have been very supportive in your company's growth journey, and the patience and faith imposed on your company. We expect good growth in the consolidated revenue and profitability in the coming quarters and in this financial year which is going to be in terms of number significant growth compared to earlier years. Thank you so much.

**Moderator:** Thank you. On behalf of Olectra Greentech Limited and Nomura, that concludes this conference. Thank you for joining us. And you may now disconnect your lines.