DELTA AUTOCORP LIMITED
Registered Office: Plot No. - 304P, Mihijam Road, Pithakiary, Rupnarayanpur, Dist. - Paschim Bardhaman, West Bengal – 713386, compliance@deltic.co, www.deltic.co
CIN NO. L29304WB2023PLC263697

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To,
National Stock Exchange of India Ltd.
Exchange Plaza, 5th floor
Plot No. C/1, Bandra (East)
Mumbai – 400051

Subject : Submission of Transcript of Earnings conference call for the financial year ended 31st March, 2025

REF: NSE SYMBOL: DELTIC
ISIN: INE0XRN01019

Dear Sirs,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the transcript of Earnings Conference Call organized by the Company on 04th June, 2025 post declaration of audited financial results for the half and financial year ended 31st March, 2025.

Kindly acknowledge and take the same on records.

Thanking You
Yours Faithfully,
Delta Autocorp Limited

NITIN DUBEY
Digitally signed by NITIN DUBEY
Date: 2025.06.09 16:31:05 +05'30'

Nitin Dubey
Company Secretary & Compliance Officer

“Delta Autocorp Limited

H2 & FY25 Earnings Conference Call”

June 04, 2025

MANAGEMENT: **MR. ANKIT AGARWAL – MANAGING DIRECTOR – DELTA AUTOCORP LIMITED**
MRS. PRIYANKA AGARWAL – EXECUTIVE DIRECTOR AND CHIEF FINANCIAL OFFICER – DELTA AUTOCORP LIMITED
MR. TUSHAR ROKADE – CHIEF GROWTH OFFICER – DELTA AUTOCORP LIMITED
MR. AMAN ALOK – VP MARKETING AND SALES – DELTA AUTOCORP LIMITED
MR. RISHAB MALIK – AGM FINANCE – DELTA AUTOCORP LIMITED

MODERATOR: **MS. POOJA GANDHI – EQUIBRIDGEX ADVISORS PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good morning and welcome to the Delta Autocorp Limited Earnings Conference Call hosted by EquiBridgex Advisors Private Limited. As a reminder, all participant lines will remain 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 the operator by pressing star then zero on your touchtone telephone. Please note that this conference is being recorded.

I would now like to hand the call over to Ms. Pooja Gandhi from EquiBridgex Advisors Private Limited for opening remarks. Thank you and over to you.

Pooja Gandhi: Thank you. Good morning everyone and welcome to H2 & FY25 Earnings Call of Delta Autocorp Limited. From the management today, we have Mr. Ankit Agarwal, Managing Director, Mrs. Priyanka Agarwal, Executive Director and CFO, Mr. Tushar Rokade, CGO, Mr. Aman Alok, VP Marketing and Sales and Mr. Rishab Malik, AGM Finance.

Before we proceed with this call, I would like to give a small disclaimer that this conference call may contain a certain forward-looking statement which are based on opinion and expectations of company. A detailed disclaimer already given in company presentation is being uploaded on stock exchange.

Now I would like to hand over call to Mr. Ankit Agarwal for opening remarks. Over to you, sir.

Ankit Agarwal: Thank you, Pooja. Good morning everyone. I am Ankit Agarwal, Managing Director of the company. Welcome to Deltic first earnings call as a public company after the IPO. We are all very excited about sharing updates with all of you. We have circulated the press release, financials and the investor presentation via the NSE platform.

So I will just walk you through some thematic updates and we will then proceed to do a detailed Q&A. There are certain years in a company's journey that don't just mark growth, they change the axis of what growth looks like. For Deltic FY25 was that year and perhaps what makes this even more exciting is we are just getting started.

In FY25, we sold 13,006 EVs, grew to over 315 dealers across 25 states, all the while remaining profitable for the seventh consecutive year, underscoring the strength and resilience of our business model. The net profit after tax rose to INR 8.39 crores, our EBITDA stood at INR 11.81 crores, while the net worth of the company rose to INR73.05 crores.

Yes, H1 was slower than expected, but H2 was decisive and it taught us that we win when we stay rooted in fundamentals, which are a product-first approach, partnerships and scale through B2G and B2B bulk orders. FY26 is all about adhering to and scaling up this formula. In a sector often obsessed with GMV and valuations, we stayed anchored to cash flow, contribution, community and the customer.

We take immense pride in being a company that understands the streets, strength and spirit of India. Today, we stand before you as one of the first publicly listed full-stack Indian EV brands operating across both two-wheeler and three-wheeler segments with profitability, scalability and purpose instilled into our DNA. Let me share three important milestones that further escalated the positive unfolding of H2, reshaping our path forward.

Two new RTO-approved scooters Infinia and Trento Plus, received approval from the Indian government. They have been engineered to dominate a wide space with modern styling and true reliability. They are built for families and youth respectively and India's rising urban commuters in common. Our L3 Lithium E-Rickshaw is now approved in the 64 volt configuration and is already being deployed across markets, enabling our customers to benefit from the faster uptime and a superior ride experience.

And in another strong vote of confidence, we have received an additional work order from the government of Assam for 402 electric garbage cars, reinforcing our position in the B2G space and our commitment to sustainable urban mobility. In addition to this, we took a significant step towards vertical integration by launching our first company-operated and company-owned showroom in Mihijam, Jharkhand.

Building on this momentum, we plan to open at least 20 strategically located COCO outlets across the country, focusing on high-footfall cities particularly key tourist destinations and religious cities such as Prayagraj, Ayodhya, Varanasi, Deoghar, etcetera. This initiative is aimed at diversifying our revenue streams, improving overall profitability and strengthening direct engagement with the end customers, while further elevating brand visibility at ground level.

We have also done strategic partnerships with Rapido to enable and increase the sustainable earnings of our customers, both in the three-wheeler as well as the two-wheeler segment. We want to open more such income channels for our customers and go beyond selling them the EVs.

We are excited to share that our L5 electric three-wheeler auto are currently in the final stages of regulatory approval and are expected to receive clearance in the near future. In parallel, we are gearing up for the launch of two highly anticipated products, our flagship electric scooter Reed and our aspirational electric motorcycle Superion. The initial reveal of Superion has already garnered an encouraging response reflecting strong early interest and market potential.

Ultimately, despite the good growth we had in H2, the overall FY25 performance appears flat. It is important to highlight that this was a year of foundation building for us. The broader EV two-wheeler segment saw a deceleration to 15% year-on-year growth in FY25 versus 39% in FY24, largely due to market recalibration and other external drivers.

In this environment too, while many peers witnessed margin pressures and volatile volumes, Delta Autocorp however sustained a healthy EBITDA margin of 14.06% and stable operations, all through internal accruals. With this, I conclude my opening remarks. Thank you everyone. I will now hand it over to Pooja to take the discussion forward.

Pooja Gandhi: I request all the participants to ask your questions to the management.

Moderator: The first question comes from the line of Nitin, an Investor. Please go ahead.

Nitin: Hi, sir. Congratulations on a great H2 performance. So, I have a few questions regarding the outlook for FY26. So, the H1 for FY26, would it be similar to H2 FY25 or would it be slightly better in terms of the numbers? How are things shaping up?

Ankit Agarwal: Yes. Thank you so much, Nitin, for your question. Yes, I mean going forward in this financial year, in H1 of FY26, we expect the numbers to be similar to what we had achieved in H2 of FY25. And H2 of FY26 is going to be slightly higher than we did in H2.

Nitin: Okay.

Moderator: Ladies and gentlemen, we have lost the line of the management. Please stay connected while I reconnect the management. Thank you. Ladies and gentlemen, we have Ankit sir connected with us. Nitin if you may want to repeat your question?

Ankit Agarwal: I am really sorry for getting disconnected. So, FY26, we expect a growth of at least 35% to 40% in the entire FY26. As far as H1 is concerned, H1 would be on similar lines to what H2 of FY25 was. And, we expect to do a decent growth in H2 of FY26 when compared to H2 of FY25. I hope that answers your question, Nitin.

Nitin: Sure. And just a follow-up to that. So, basically, you said about 40% growth revenue-wise. So, basically, we will be looking to do a revenue of about INR120 crores, INR30 crores. Is that a fair expectation?

Ankit Agarwal: Yes. So, it could be around INR110 crores to INR120 crores is what we are targeting for the next financial year.

Nitin: Got it. And the EBITDA margins and PAT margins, would it improve in FY26 slightly?

Ankit Agarwal: So, EBITDA and PAT margins, I would say, would largely be optimized. Because of increase in volume, ideally the EBITDA and PAT should increase. But, I mean, since we will be on a growth trajectory, so we would be incurring significant expenses in expanding the team, in marketing, in branding and in other aspects. So, I would expect that the PAT and EBITDA should be largely in the similar range to what we have.

Nitin: Okay. So, basically, 11% to 12% would be approximately PAT margin. Is that correct?

Ankit Agarwal: So, around 10% would be the approximate PAT margin like last year, it was 10.1%. So, it would be around that number as per our expectations.

Nitin: Great. Alright. And we'll largely remain debt-free or would you take some debt? Currently, I think we are net debt-free?

Ankit Agarwal: Yes. So, we don't foresee any immediate, I mean, taking any immediate debt because we have a lot of cash after the IPO. So, I mean, FY26, we don't foresee that we'll be taking too much of debt.

Nitin: Okay, sir. Thank you so much for answering the question. Thank you.

Moderator: Thank you. The next question comes from the line of Shikhar Mundra from Vivog Commercial Limited. Please go ahead.

Shikhar Mundra: Hi. Can you give me a split of the revenues between the different segments, B2C and B2G for this year?

Ankit Agarwal: Yes. Hi, Shikhar. Thanks for your question. So, the revenue from the B2G segment was about INR15 crores. That is around 18%. And the revenue from B2B was around INR6.75 crores that is about 8% and balance 74% is all through B2C.

Shikhar Mundra: Okay. And for the next year, what are we estimating the breakup between these segments?

Ankit Agarwal: So, breakup between these segments, I mean, see the immediate focus would be on increasing the distribution network. So, largely the B2C volumes, we expect it to be around like 70%, 75% and balance 30% we believe would be a split between B2B and B2G. So, probably the B2B would increase a little to about 10% to 12% and B2G would be around like about, say, another like 14%, 15%.

Shikhar Mundra: Okay. And sir what is giving us the confidence for this 40% growth? I mean, do we have a fixed order book in the B2G segment or some expectations of tenders. And similarly for B2C, like how are we having this confidence of 30% to 40% growth?

Ankit Agarwal: So, Shikhar, the 35% to 40% growth that we mentioned is on the overall level through B2C, B2B, B2G. So, when we talk about pipeline, the B2B segment was something which we started last year only. And currently, we have already received the LOI for 360 vehicles from a Southern India based EV rental company.

And we expect a couple of more LOIs, like, I mean, we expect that we'll get a couple of more LOIs in the month of June. So, B2B is going pretty well. I mean, we have a new team for B2B. B2G, we have an order of about around 1500 vehicles in hand, which we got last year. And that will be completed in this financial year.

So, we have an order book of about 1500 vehicles in the B2G segment. And we are trying to crack other B2G orders as well, as we speak. And in the B2C segment we are adding new products into our product portfolio, we are increasing the product market fit, we will be launching the Western India and the Southern India market with a lot of force with a new product.

Plus, we are entering into new segments like the L5 electric auto segment, we'll be entering into the motorcycle segment. So, we are fairly confident that on an overall level, we should be able to achieve a 35% to 40% growth in the upcoming financial year.

Shikhar Mundra: Okay. And since I'm new to the company, so it's a basic question about our vehicles. So, where do we sit in the competitive intensity? I mean, do our vehicles are, I mean, with respect to our peers, are they cheaper? Are they better quality? How many SKUs do you have? So, can you give me a background about that, our product profile, basically?

Ankit Agarwal: Yes, sure. So, we have currently -- we have four models of electric scooter. And we have got approval for two more models of electric scooter. We'll be having a product portfolio of six electric scooters in the two-wheeler segment. In the three-wheeler segment, we have essentially three categories of vehicles. One is the passenger electric rickshaw in which we have two models, which is there in 48 volt as well as in 60 volt platform.

Then we have an electric loader in that category. And apart from that, we also have an electric garbage cart in the electric three-wheeler category. And now, as I mentioned, we will be entering into the electric auto category in the L5 segment. So, if you talk about the pricing of our scooters, our median pricing of the scooter would be around INR50,000 to INR55,000. So, yes, we are cheaper than the competition. So, that's how our product portfolio is played out.

Shikhar Mundra: So, we are basically competing and growing, maybe aspiring to go faster than the market, based on our price, price is the main factor?

Ankit Agarwal: So, price is one of the factors, Shikhar. Definitely, because the Indian market is very, very price sensitive. So, we have to give them something extra in the price that we are offering it. Apart from that, we have a differentiated marketing distribution strategy. We are focusing on Bharat. We are focusing on Tier 2 and Tier 3 cities of India, rather than focusing on the Bangalore's and Mumbai's of India. We are focusing more on the Begusarai's and the Ranchi's of India. So, there, the growth of EV penetration is pretty good.

Shikhar Mundra: Got it.

Ankit Agarwal: Aman would like to add something to it.

Aman Alok: So, I'll just add to the point. Basically, what also distinguishes us apart from what Ankit ji told is our product development philosophy, where basically we are very, very focused on what features we are giving to our customers. And if you look at the larger India, the scenario is very anti-logic to what we are seeing in the cosmopolitan cities. They want more leg space, boot space. They want the screws to be tightened in a good enough fashion, because this is a noiseless vehicle. So, there shouldn't be any noise is the priority.

The thumb rule has to be around mileage in the case of passenger vehicles. So, we have been developing our vehicles in a very data-driven fashion. And apart from that, I'll add the serviceability part. So, it's common knowledge that in the EV industry, in general the servicing has been like, wavy. But the way Deltic has tackled that because every dealer is like a service center is remarkable.

And apart from that, we are running programs like EV Hub, where we are educating the larger masses on the whole repair of EVs at the child part level of the components. So, basically, the delta cost of repair and TAT is very less. All these things have been placing us as kind of a market leader who can be trusted in our different regionally dominant areas. So, this also clearly distinguishes us.

Shikhar Mundra: Got it. And how much of our raw materials are being sourced, imported, especially from China and how much of it is locally sourced? And secondly, how do we maintain if, let's say, the raw material prices go up and down, how do we maintain our margins?

Ankit Agarwal: Yes, Shikhar. So, Rishab, you would like to comment on the imported like the exact percentage of the imported material? So, I'll set the context for Shikhar. So, we use this judicious mix of components, both indigenized as well as imported. This is being done to maintain the quality as well as the pricing dynamics. As far as the exact numbers are concerned, Rishab, please throw some light on this now.

Rishab Malik: Yes. We are talking about percentage of imported material. Currently, our imported material is 6.71% of our total purchase, slightly decreased from the past year.

Shikhar Mundra: I'm sorry, I lost you. Your voice is coming a little slower.

Rishab Malik: Hello. I'm audible now.

Shikhar Mundra: Yes, it's better.

Rishab Malik: Yes. We have 6.7% of imported material of our total purchase, which was around 10% in the past year.

Shikhar Mundra: Okay, got it. And how do we maintain our margins? I mean, in case of material price is going up?

Ankit Agarwal: So, largely, we have great contracts for six months.

Shikhar Mundra: Okay.

Ankit Agarwal: So largely most of the materials are covered under that. But if there is a significant increase in pricing of battery, especially, we generally tend to pass it on to the customers after giving a cooling off period. Because from our vendors also, we get that notification that the pricing of battery would be changing in the next 15 days' time or one month's time. So, we stock those batteries, give our dealers a buffer of 15 days or a month time to prepare and then we pass it on to our dealers, who in turn pass it on to the consumers.

Shikhar Mundra: Got it. And how do we plan to use this cash balance of INR32 crores now after raising the funds, where all will we be using this?

Ankit Agarwal: Okay. The majority of the funds like the INR21 crores 32 lakh would go into development of five new products. So, three would be in the two-wheeler category and two would be in the three-wheeler category. In the three-wheeler category, as I mentioned we are developing L5 electric auto and L5 electric loaders. Loaders are essentially the goods carrying, cargo carrying vehicles.

In the two-wheeler segment, we will be developing one commuter scooter, one delivery scooter and one electric motorcycle. So, these are the five products that we will be developing. Apart from that, a portion of the money of around INR4.4 crores would go into setting up a new fabrication and paint plant for our electric three-wheeler.

Shikhar Mundra: Okay.

Ankit Agarwal: And balance money would go into funding of working capital requirement and general corporate purpose.

Shikhar Mundra: Okay. And so, this all the INR21 crores will be expensed out eventually or it will be as an intangible asset, capitalized as an intangible asset?

Ankit Agarwal: Most of it will be capitalized as an intangible asset plus there will be…like..for the new product development, there will be molds made for plastic parts, molds made for your lights and chassis and fixture..made for the jigs and fixture made for the chassis. So, this will basically be capital asset.

Shikhar Mundra: Got it. Thank you and all the best and I will join the queue back for further questions.

Ankit Agarwal: Thank you so much Shikhar for your question.

Moderator: Thank you. The next question comes from the line of Nathan Daniel from Sassoon Holdings. Please go ahead.

Nathan Daniel: Yes. Congratulations, sir, for your good H2 FY25 results. Is that audible sir?

Ankit Agarwal: Yes, Nathan, you are.

Nathan Daniel: Yes. So, my question is regarding that you have sold – your company has sold around 13,000 EV units in FY25. So, what do you consider [inaudible 23:38]?

Moderator: Sorry, Nathan, there's a call coming in from your line, please.

Nathan Daniel: Hello.

Moderator: Yes, Nathan, if you can please ask your question now.

Nathan Daniel: So, sir, my question is what is your internal volume target for the FY26?

Ankit Agarwal: So, the internal volume target for FY26 would be to do about 16,000 to 17,000 units in FY26.

Nathan Daniel: Okay. Got it. And what will be the margin trajectory for the FY26 with new scale and LFP cost benefit that you have launched new technology? So, what will be the margin trajectory?

Ankit Agarwal: Yes. So, Nathan, because of increase in volumes, definitely, I mean, while the fixed cost not going up too much, the margins would, ideally, should ideally increase, but since we have a growth phase, so we will be putting in back these extra margin into brand building, creating a winning team and expanding quickly across other geographies. So, largely I would say that the EBITDA and the PAT percentage should be in the similar range of 14% and 10% respectively.

Nathan Daniel: Okay. Got it. Thank you, sir. Thank you so much.

Ankit Agarwal: Thank you, Nathan.

Moderator: Thank you. The next question comes from the line of Amit Bhatt from MIT engineers. Please go ahead.

Amit Bhatt: Congratulations, team Deltic. Our company got the support of many marquee investors during the IPO, Sunil Singhania, HDFC Bank, ARP, AIF and many others. So, we don't have any doubt about your presentation, marketing, ease and the enthusiasm of the young management. Now, the question is, my first question is we are assembler or we are manufacturer?

Second question is sir because there are hundreds of such players across India and market feels that only few will survive after five years. So, sir, how our company will do different than those hundreds of assemblers and the small manufacturers? And the last question is, sir, there is some statement from the Rahul Bajaj that some very essential part for the EV like magnet and something like that is China now restricted the supply and it is going to affect the EV industry as a whole. So, please, I want some clarification or clarity on that? Thank you, sir.

Ankit Agarwal: Thank you, Amit, for your question. So, addressing the first part of your question, whether we are an assembler or a manufacturer. So, Amit, we are a manufacturer as we control the entire design, engineering and technology is all ours, but yes we have vendors for making different components [inaudible 27:05]. If you look at Maruti also. So, they have vendors for making different components. And then the vehicle gets assembled at their facility.

So, for us also it is exactly the same like chassis from tier-1 vendors, [inaudible 27:21] tyres from TVS, etcetera [inaudible 27:25]… for the last 25 years, but they make the products as per our design, engineering and technology. Amit, to the second part of your question which is like how will we survive in the market? So, Aman, you would take it up.

Aman Alok: Mentioning the fact that from day one we have been thinking around it and building our progress, constantly obsessing on this question. So, we have addressed it in multi-fold, as Ankit ji already had mentioned that how we have a very distinguished distributorship model. So, instead of like focusing on the Bangalore or the Mumbai, we went to the Begusarai's and Ranchi's of India, that is the second tier and below or the greater Bharat, how it is called.

What we have done is that garnering a very, very… I would say, our brand identity is very solidified among our customers and they have repeatedly seen us across the years giving good service, our products performing really well. So, that is one factor how we have distinguished. And apart from that, we have been very focused on servicing from day one, because ultimately automobile..mobility industry is all about that.

And very evidently, historically, we have seen the brands who have survived and thrived, they have just focused on the servicing part. So, as I already told, while answering to Shikhar that we are running programs like EV Hub, etcetera., where we are not just educating our dealers, but kind of enabling the market in general for servicing. Our dealers are the point of servicing and they have everything for all the warranty, spare and everything, all the claims, it is all being managed…the supply chain… being managed at the dealer level.

So, the customer is constantly getting hammered of the fact that we are obsessed about our servicing. Apart from these things, our product philosophy… also, I had mentioned that our product philosophy is very focused on the kind of TG that we are serving. And we are constantly bettering our vehicles around those points, like, when I mention leg space or boot space, it is about carrying that extra bag of vegetables or your grocery items as larger India does.

So, these factors have been kind of positioning us in a certain way in people's mind. And as you were saying that a lot of people..businesses are incoming, but fortunately and unfortunately, they are not focusing on these areas.

Clearly, apart from that, we also have retail finance, like the names like Shriram is with us in our two-wheeler financing. So, those kinds of things are constantly re-imposing our positioning. Ankit, would you like to add?

Ankit Agarwal: Yes, just to add to what Aman said, apart from this we have identified a huge white space in the mass premium segment, wherein we are giving very, very premium looking scooters at affordable price. Yes, you are right, Amit, the market is very fragmented and there will be industry consolidation. So, this environment actually presents an opportunity for a fundamentally strong player like us to increase our market share as weaker and unsustainable business models phase out over a period of time. So, I hope this…

Amit Bhatt: Yes, you answered perfectly. So, third question regarding the magnet coming from the China, which Mr. Rahul Bajaj raised for the EV industry as a whole, will it affect our company also, if there is going to be restriction in the supply of the magnet from China?

Ankit Agarwal: Yes. So, definitely, it affects all players across the board because China being one of the major, largest producer of rare earth magnets. But having said that, we have a partnership with one of the top three motor manufacturers in China for the last five years almost they are like the Bosch of motors in China.

So, if there is a restriction on import of magnets from China, then probably we will have to go back to them and buy the entire motor or get the motor customized from them as per our design and technology and get the motor from them. So, I mean, we are quickly…

Amit Bhatt: Yes, perfectly okay. And sir, the last question is that at the time of the IPO and even today, you emphasize on the service part, that our company is having the so-called expertise or you can say expertise of providing a very good services. So, sir, can we monitor that?

Can we get some money from this vertical that we can provide the services to other players coming in this area because some big players are going to come, but they don't have that expertise in the service. So, can we monitor that aspect and we can become even the service provided for the big brands in the future?

Ankit Agarwal: Yes, Amit, service is a big part of revenue because to provide service, you need to provide spare parts. So, we have been already providing spare parts in good quantity to our dealers and our dealers in turn have been servicing vehicles of other companies as well as they have been providing parts to other dealers of other EV brands. The good part about automobile businesses… once you sell the vehicle, there is always revenue for the next 7-10 years till the vehicle is on the road.

So, there is always a good recurring revenue in terms of spare parts and servicing from these in the automobile business.

Amit Bhatt: And the last question, sir, basically you can avoid it because it's related to the stock market movement of your stock. But after the listing and many good investors invested in this company, company is not performing. So, you got any feedback from the market players that why it's basically the market sentiments or something which market don't understand? You can ignore this question, sir. It's up to you?

Ankit Agarwal: Yes. So, Amit, I'll just give a very brief answer on this. Actually, I would say that probably it's because of the market that we have seen plus our focus is majorly controlling the price in the stock market is not in our hands. So, I would like to respectfully submit this, Amit.

Amit Bhatt: We accept it and all the best, sir. And I hope that you and your team maintain this enthusiasm and hold the good investors with your company. Thanks a lot.

Ankit Agarwal: Thank you so much for your good wishes.

Moderator: Thank you. The next question comes from the line of Parag Jhawar from Knightstone Capital. Please go ahead.

Parag Jhawar: Good morning, Ankit ji. Your spare parts business has grown extremely well. So, you touched upon it earlier, but could you give some more flavor about it? How many dealerships offer that? Are the components manufactured or bought out? And what is the margin that you are making on your spare parts business?

Ankit Agarwal: Good morning, Parag, sir. Can you please repeat the question once again?

Parag Jhawar: Yes, I'll repeat that. So, I was saying that your spare parts business has grown extremely well, INR17 crores now from INR7 crores last year. So, I wanted to get some more flavor on that. How many dealerships are you offering those spare parts from? Are the components manufactured or bought out and also the margins and credit terms that you have on this?

Ankit Agarwal: Right. So, sir, like, I mean, we have been selling spare parts through all our 315 dealerships that we have across India. Apart from that, in spare parts we have been selling batteries and other components to other small OEMs also, batteries and chargers.

So, the gross margin when we talk about, when we are selling spare parts through our dealerships, the gross margin on an average is typically about 25%, I would say. And when we are selling it to other OEMs in the form of kits or in the form of bulk orders, so there the margins are about like 5% to 7%.

Parag Jhawar: Got it. And how big can this scale up to this revenue stream in the next couple of years?

Ankit Agarwal: Yes. So, we have a great focus on this, improving the sales of spare parts, because in India we have seen that in festive season, there's inadvertently, I mean, there is a scarcity of parts in the market. So, that is why if you see like our number of inventory days have also increased, because we have been focusing on keeping extra spare parts so that we can provide it, not only to our dealers, but to other small OEM players. So, we expect that, I mean, this should grow, this should grow by about, at least, I mean, I would say around 20% to 25% in this financial year. So, that is the aim.

Parag Jhawar: Okay. And the second question is about the tie-up with Rapido. Can you, again, give some flavor and what's the implication on volume that we anticipate from this tie-up?

Ankit Agarwal: So, with Rapido what we have done is we have done a tie-up at the company level and at the dealer level. So, what will happen with every vehicle we sell, so our dealers would be in a position to onboard them as captains on the Rapido platform, especially for the three-wheeler customers.

It provides, I mean, on every sign-up, our dealer makes some money and the customer feels that he's not just buying an electric three-wheeler from the dealer, but the company and the dealer is also providing him with an avenue to earn money in the long run. So, that is essentially the essence of the tie-up with Rapido.

We have also tied up in the two-wheeler segment wherein people for their part-time income can run vehicles, run their vehicles on the Rapido platform. So, in terms of revenue, I would say it will not create much of an impact, but yes in terms of giving something extra compared to a competition, yes, it creates a very large impact that this company and this particular dealer, it's not just selling vehicles, but he is providing a steady stream of income also to the customers.

Parag Jhawar: And one final thing, your receivables have gone up this time. Is it because of the B2G order?

Ankit Agarwal: Yes, sir. So, actually, the receivables have gone up primarily because of the B2G order. So, the B2G order, the payment is backed by LC, but I mean, the LC has a period of about, I mean, two months. So, that is why the receivables would be looking in the higher range for now.

Parag Jhawar: All right. Thank you. Thanks for your time.

Ankit Agarwal: Thank you so much, sir, for your question. Thank you.

Moderator: Thank you. We take the next question from the line of Jaydeep Rai an Investor. Please go ahead.

Jaydeep Rai: Good morning. My question is regarding that rare earth magnet, you are telling that you will import the motor from China once it is not getting from China rare earth magnets, then what will be the impact on your margins? Can you tell me?

Ankit Agarwal: Yes. Thank you so much, Jaydeep, for your question. So, as I mentioned, if the import for rare earth magnet gets, like, I mean, banned or stopped, so we have -- we already have a channel back in China from where we can buy the readymade motor. So, in terms of pricing, I would say that the Chinese motors and the Indian motors are almost equivalent.

And, in fact, the Chinese motors are slightly cheaper compared to the Indian motors. But with this ban, the Chinese vendors might slightly increase the price, but even if they increase the price slightly, then also there will be parity compared to the pricing at which we buy Indian motors.

Jaydeep Rai: Is there any timeline delay between the processing of these orders means that when the import you will not get of the rare earth magnet and in between how much time you will take to import the motors from China?

Ankit Agarwal: So, typically, the order cycle is about 60 days. It takes about -- after we place the order, it takes about 20 days to 25 days to make the material and about 30 days to 35 days to ship and receive it at our factory. So, I mean, the time, I mean, the time required would be 60 days to procure any material, including motor from China.

And as you see, and as I've mentioned in the call, I mean, we are focusing on increasing our spare revenues and giving spares to other smaller players. So, we have significant inventory with us. We have inventory of almost about 108 days with us as of today. So, I mean, we are well covered in terms of like, I mean, if there is any fluctuation in terms of delivery of motors from China. So, we are well covered for that.

Jaydeep Rai: Okay. Thank you. My second question is what is your timeline for the launching your commercial launch of your electric bike?

Ankit Agarwal: Yes. So, electric bike, Mr. Jaydeep, we are targeting for the festive season, which is Q3 of this financial year. So, the vehicle is under homologation. So, it will all depend on how quickly the homologation can be completed, but we expected to do it by Q3 of this financial year.

Jaydeep Rai: Means before the festive season, it will be available to all dealers?

Ankit Agarwal: So, that's what the target is, Jaydeep. So, because in festive season, there is a significant push in the sale. So, we would definitely like to get the vehicles in the market before festive season across all our dealerships.

Jaydeep Rai: And what about the number of COCO showrooms you want to open in this financial year?

Ankit Agarwal: So, we want to open about 20 COCO showrooms in this financial year.

Jaydeep Rai: And what will the total capital expenditure for that?

Ankit Agarwal: So, we have created a very efficient format for these showrooms. The capital expenditure per showroom is about INR4 lakh. So, multiplied by 20, it will be about INR80 lakh including everything.

Jaydeep Rai: Including inventory, means only 4 lakhs?

Ankit Agarwal: No, not inventory, including like the furniture, the signboards, I mean, glass doors and other aspects.

Jaydeep Rai: Okay. Fair enough. And what will be the inventory per store approximately?

Ankit Agarwal: Approx inventory per store like we endeavor to display all our models in the showroom. So, the inventory would be about of about INR10 lakh per showroom.

Jaydeep Rai: And you have the order of 1500 vehicles for B2G. What will be the amount you can say for these 1500 EVs?

Ankit Agarwal: Yes. So, the approximate amount for this would be, just give me a second, would be about INR23 crores INR24 crores.

Jaydeep Rai: Means average per vehicle around 1.5 lakhs around?

Ankit Agarwal: Yes 1.57 lakhs per vehicle.

Jaydeep Rai: And last year you have done how much revenue in B2G?

Ankit Agarwal: So, last year we did about INR15 crores through B2G.

Jaydeep Rai: Means you have the order of INR23 crores and 50% already extra order you have already available?

Ankit Agarwal: Yes, last year we did 15 crores, this year we have additional INR23 crores to INR24 crores of order.

Jaydeep Rai: And these orders to be executed in this financial year or it will be staggered in the next financial year also?

Ankit Agarwal: No, this has to be executed in this financial year anyhow.

Jaydeep Rai: And what is the future pipeline of any B2G order, can you tell?

Ankit Agarwal: We are trying at different government levels for B2G orders, but I mean, we don't have any confirmed work orders or LOI as of now. But yes we are trying across four, five other state governments also for B2G orders.

Jaydeep Rai: And do we have any present B2B orders?

Ankit Agarwal: Yes. So, for B2B, we have recently received a LOI for 360 vehicles from a Southern Inida-based leasing plan, electric scooter leasing plan and we expect a couple of more orders coming in our way in this quarter itself.

Jaydeep Rai: And what will the amount you have for this B2B order book and order you have got for 360 motors?

Ankit Agarwal: So, I think that will be confidential as per our agreement with that.

Jaydeep Rai: Sorry and can you tell?

Ankit Agarwal: I cannot go into specifics.

Jaydeep Rai: Can you tell that you have a EBITDA margin for B2B and B2G?

Ankit Agarwal: Sorry?

Jaydeep Rai: Can you tell us what will be the expected EBITDA margin for B2B and B2G orders?

Ankit Agarwal: So, on a GM level, on a GP level, I can tell you. So, on a GP level in B2G, the profit percentage is around 25% to 30%. And at GP level in B2B, the percentage is about 15% to 20%.

Jaydeep Rai: Okay. Thank you.

Moderator: Thank you. The next question comes from the line of Nitin, an Investor. Please go ahead.

Nitin: Hi, sir. Thanks for giving me the opportunity again. Just wanted to know, sir, you said you're targeting about INR110 crores, INR120 crores revenue this year. What is the revenue potential we have, including all our plants, what's the total amount of revenue we can do?

Ankit Agarwal: Thank you so much for your question, Nitin. So, I mean, we have a capacity of almost 60,000 two-wheelers across two plants and about 18,000 three-wheelers. So, the revenue capacity is pretty good. So, we can go up to INR250 crores to INR300 crores in terms of revenue.

Nitin: Great. And during the year, do we have a possibility that we can possibly increase that revenue figure that you quoted? I mean, let's say around Diwali time, would we have better visibility of increasing their target?

Ankit Agarwal: Yes, definitely the visibility would be better at Diwali time. And the endeavor is always to increase the revenue as much as possible, but I think after H1 would be a good time to reflect on the number and probably give a more concrete number at that point of time.

Nitin: Okay. All right. Thank you very much. Good to know that we have a big runway ahead in terms of the potential we can do from our plants. Good to hear that. Thank you.

Ankit Agarwal: Thank you so much, Nitin, for your question.

Moderator: Thank you. We take the next question from the line of Ashok Shah from Eklavya Invesco Family Office. Please go ahead.

Ashok Shah: Thank you for allowing me to ask a question. Sir as I understand from the shareholding pattern, sir, all the majority of the marquee investors has executed in the first week of listing. So, what's the current position of the shareholding pattern?

Ankit Agarwal: So, thank you so much for your question, Mr. Shah. So, I think we'll have to get back to you on this. So, at the time of… respectfully, I would say, at the time like, I mean, after the launch of IPO, because the IPO listed at a premium price, so probably people made money and they went out at that point of time, but post that whatever is the shareholding pattern for the top investors, probably I'll check with the team and we'll email it to you.

Ashok Shah: Sir, it is available on the exchange. So, all the marquee investors has exited and only HDFC Bank or some other silent investors are there. So, what was the problem they exited or we were not able to present our good picture of a company to them?

Ankit Agarwal: No, it's not like that, Mr. Shah, if you see, I mean, I don't know whether I should name or not, but like a couple of people from the Anchor investment team, Marquee investors, very good investors, they are there on the call also and they are in the company also. I'm not sure which particular investor you are referring to who has exited from the company. If you could throw some light on that, that will be really great, Mr. Shah.

Ashok Shah: Okay. And secondly, we have made a very good profit, but why we have as a management or the board of data does not have a confidence to declare a small dividend as it's a good practice to distribute at least a 30% of a profit to the shareholders?

Ankit Agarwal: No, that's a very good suggestion, Mr. Shah. So, we are, I mean, we have recently got into this like, I mean, we recently got listed and we want to scale the business up quickly. So, we need all the money that we have at our disposal to grow fast and give better dividends going forward in the near future.

So, probably that is the reason why we are not issued dividends currently, but definitely going forward as per the situation, we would be offering dividends in the market.

Ashok Shah: So, my question was regarding dividends was because one of the EV companies which went bust within three, four years and the stock price went to very high and they had no plan to give a dividend because their accounts were all manipulated or something like that. So, investor has a doubt because once the company does not give dividends, so accounts are not properly or the inventories are increasing and everything is going on in the company.

And since we are totally dependent on the import, so, and our size of the company is very small. So, how we plan to control our expense and diversify to make import reduction?

Ankit Agarwal: So, as you might have heard on the call earlier, so our import is not very high. Rishab what was the number? Can you please clarify the number once again to Mr. Shah?

Rishab Malik: Yes sir 6.67% of our total purchase.

Ashok Shah: Sir, the gentleman's sound is very weak. So, earlier he has also spoken lightly. So, it is difficult to get the figures.

Ankit Agarwal: Yes. I'll repeat the numbers for you, Mr. Shah. So, he's saying that the import was only to the tunes of 6.7%.

Ashok Shah: So, everything is assembled and parts are imported or only 6% is the imported part and almost 94% is Indian made?

Ankit Agarwal: Yes. So, you're right. Only about 6.7% of the parts are coming are imported. Balance parts are coming in from vendors in India. So, we use a judicious mix of components, Mr. Shah, both indigenized as well as imported to maintain the pricing of the product.

Ashok Shah: So, does the vendor import and distribute us or it is called as a not imported?

Ankit Agarwal: I would say largely most of the vendors, they do a lot of value addition in India. But yes, the basic electronic components in terms of chips and other things, they probably the vendors are also importing and then they are assembling it on an SMT line and creating that product and selling it here.

Ashok Shah: So, if you calculate the vendor's import, then it could be more than 50% of import?

Ankit Agarwal: So, that will be very difficult to say, Mr. Shah, because I mean, generally the vendors do not share their business…. like I mean, how much components they're importing, how much they're indigenizing. It's very difficult to understand from them, but yes the numbers would be higher. It would be about 30-40% because majority components like cells and the electronic components, they are being imported, that's a fact.

They are not being manufactured in India. So, I would say the imported components would be, I mean, my guess would be it would be around 30% to 40%.

Ashok Shah: Secondly, sir, we are also doing repair works also and supplying parts to other EVs also. So, over the last 4 years, 5 years, so many EV auto and EV scooter has come. So, would it be more profitable to do such type of business than sell the EV because this will be service industry after few years because lots of EV has requiring service every year, every time. So, we have already diverse EVs. So, would we be expanding in this sector?

Ankit Agarwal: Yes, absolutely, Mr. Shah. We would be expanding in this sector also, because we see this opportunity and B2B is something we started last financial year only. And we see a lot of potential in this. So, we would continue to be doing our normal business of selling vehicles through our dealer network, through B2B channels, through B2G channels. And apart from that, we would also be focusing on selling parts and spare parts to smaller OEMs. So, we want to keep focus on like, I mean, all the four aspects.

Ashok Shah: Sir, we are planning to open a COCO branch. So, this branch, how it will be managed or how they incentivize to the managers to sell more EV, scooter or auto rickshaw?

Ankit Agarwal: So, we have already opened one outlet near our West Bengal factory. And going forward, as we mentioned we'll be opening 20 more outlets. So, we have -- we are creating a team for that. We have already designated in charge for handling all the 20 COCOs. And at the showroom levels, we are hiring competent showroom managers with adequate incentive structures as it is normally there in any sales profile.

So, we are incentivizing them well, so that they also have a skin in the game and they also are motivated to sell more through the outlets.

Ashok Shah: Sir, we have raised less than INR50 crores as a capex plan. So, what's -- by what time this capex will be invested because still we are not seeing any major investment being made?

Ankit Agarwal: Correct. So, Mr. Shah, we expect to deploy a majority of the capex amount that we have raised for new product development as well as setting up a new plant in this financial year and balance would be used completely by the end of next financial year. So, we are taking judicious steps, like, I mean, we are discussing, negotiating with vendors and we have been giving them payments based on milestones.

We have started development of the motorcycle, we started development of the scooters, we started development of the L5, but the payments are staggered based on the milestones they achieve.

Ashok Shah: So, it will be by next year means, it will be done by March 27 or March 26?

Ankit Agarwal: Majority will be utilized by FY26 and some portion which will be left out will be utilized by FY27.

Ashok Shah: So, till date, it will be kept as a fixed deposit with the banks?

Ankit Agarwal: Yes, it will be kept as fixed deposits in the bank.

Ashok Shah: Okay, sir. Thank you. That's all from my side and wish you best wishes for current year. Thank you, sir.

Ankit Agarwal: Thank you so much, Mr. Shah for your question.

Ashok Shah: Thank you.

Moderator: Thank you. We take the next question from the line of Rohan Gupta, an Investor. Please go ahead.

Rohan Gupta: Sir firstly I wanted to understand what is the current store outlets like how many company owned company stores we have, is it only one the first one that we opened or do we have more?

Ankit Agarwal: Thank you so much for your question, Rohan. So, currently, we have only one COCO outlet and we have recently signed up another COCO outlet in Delhi. So, which is not operational yet. It will take about 45 days to 60 days to get operational.

Rohan Gupta: And you mentioned 20 is the target for this year by this FY end. Yes. So like what is the regional breakup like, will it be near a plant in West Bengal or how is it -- what is the plan?

Ankit Agarwal: Yes. So the plan, Rohan, is to open COCO outlets in major cities where there is a high footfall, be it a religious city like Ayodhya or Varanasi or Allahabad or commercial hubs like Indore, Bhopal and other places. So, we will be having our COCO outlets both in Eastern India as well as in Northern India.

Rohan Gupta: Okay, got it. So, the next is how is our, this first COCO store, how has the performance been like in two months? I think 25th March was the opening. So, how many units have you sold?

Ankit Agarwal: Okay. So, we have sold about 13 two-wheelers and about five three-wheelers in the last two months' time. And like as with any business, there is some it takes time to start. So, we were sorting out the finance issues and other issues there at the outlet as Mihijam is in a negative finance zone, but we have tied up with local banks to get financing smoothened out.

Rohan Gupta: So, sir 13 is a very small number, right, I mean?

Ankit Agarwal: So, this is a more strategic COCO location because it was supposed to be near our West Bengal plant because majority of our prospective dealers, they come to visit our factory or our HO. So, once they come to our factory, we want to show them a model showroom also, how their showroom should look.

This is more from a strategic point of view. And as I said like I mean, the numbers in April were less. The numbers in May are higher. So, the numbers are pretty good. And operational break-even is something which we have easily achieved in the last two months as well.

Rohan Gupta: Okay. Understood. Now, sir, like coming to the B2G side, so can you tell me what is the order book number at the moment and how much will be executed in FY26 and what exactly is a pipeline like you mentioned, you have two more LOIs at the moment. So, approx pipeline numbers as well.

Ankit Agarwal: Yes. So, currently, I mean, for the B2G order, we have an order of about 1500 units, which we have to supply in FY26 only.

Rohan Gupta: Okay, what would be the value of this approximately?

Ankit Agarwal: So, the value of this would be in between INR23 crores and INR24 crores.

Rohan Gupta: Okay.

Ankit Agarwal: And for B2B, we have already got a LOI from a Southern India-based EV player. So, which is for about 360 vehicles. And we are exporting a few more LOIs in this month or early part of next month, maybe.

Rohan Gupta: So, this 360 vehicles would be say around INR8 crores to INR9 crores value?

Ankit Agarwal: No, it will not be that much because it's a scooter that we are providing. So, the value would be less. And I think we have a confidentiality agreement with the vendor for pricing. So, I'll not be able to give you the exact number, Rohan ji.

Rohan Gupta: Okay, understood. So, then on this, our EBOs, right, the exclusive brand outlets, are these franchisee owned like what exactly is the model, franchisee owned, franchisee operated or how is it?

Ankit Agarwal: Yes. So, like our majority of stores are dealer owned and dealer operated only.

Rohan Gupta: So, how many EBOs at the moment?

Ankit Agarwal: So, currently we have 315 dealerships.

Rohan Gupta: 315. And at the time of IPO, what was this number?

Ankit Agarwal: At the time of?

Rohan Gupta: IPO, when you had just hit the public markets?

Ankit Agarwal: So, I think it was around 300 outlets, 300 odd outlets at the time of IPO. So, January 14, if I say, it would be about 305 or 306 dealerships we had.

Rohan Gupta: And by this year end, what is your target on the EBO side?

Ankit Agarwal: Yes. On the EBO side, we aim to open about like 80 to 100 new dealers in this financial year.

Rohan Gupta: Okay, got it. Sir, in your intro remarks you mentioned that FY25 was a year of foundation building. And that sets an expectation that there could be some good growth going forward. So, I think you gave a guidance of 35%, 40% for 26. So, do you see us growing, say, at 30%, 35% for the next three to four years?

Ankit Agarwal: So, yes, Rohan. The endeavor is that we have to grow at this rate because as a growing company, we have got funds, we were bootstrapped before this. So, now we have got that, I mean, extra capital to expand. So, definitely, we are targeting 30% to 40% on a year-on-year basis.

Rohan Gupta: Okay, sir. Got it. So, then lastly, this IPO funds that we've raised it's largely unutilized. So, I mean, what is the reason we should be going a bit more aggressive, once we hit the public markets. So, is there any specific reason like even the INR4.4 crores of capex is not utilized at all? I mean, we were expecting that to show up something at least in the fixed assets?

Ankit Agarwal: Right. So, as far as the investment in, I'll start with investment in product development. For the investment in product development, as I mentioned earlier, we have already initiated the development of the electric scooter and the motorcycle for which we have initiated the advanced and milestone-based payment for our vendors.

So, I mean, we have deliberately made it milestone-based so that the outflow is based on the amount of work being done. Secondly, when you talk about setting up of electric three-wheeler fabrication plant and painting plant. So, after the IPO, actually we have received interest from a lot of existing players to take either a strategic stake in their company or to buy them out completely.

We are carefully evaluating all options. And that is the reason why we have not gone and jumped in directly on a Greenfield plant. So, we are evaluating and doing due diligence of options that are available in the market because that will give us a head start because everything is already in place and they have other clients also to whom we can cater to if the deal materializes.

Rohan Gupta: Okay, sir. Got it. Thank you so much. That's it from my side.

Ankit Agarwal: Thank you so much, Rohan ji, for your question.

Moderator: Thank you. We take the next question from the line of Amit Bhatt from MIT engineers. Please go ahead.

Amit Bhatt: Actually, we are planning to open a 20 COCO stores in this particular year. So, we are going to invest roughly INR16 crores to INR20 crores for that. Am I right?

Ankit Agarwal: No. So, per COCO outlet, Amit ji, the investment at this side.

Amit Bhatt: INR80 lakhs.

Ankit Agarwal: INR80 lakhs. Yes, the fixed investment is only…

Amit Bhatt: Yes you are talking about 20. So, INR16 crores and INR10 crores inventory. So, INR16 crores to INR20 crores?

Ankit Agarwal: So, 4 lakhs into 20 outlet equal to 80 lakhs.

Amit Bhatt: Only 4 lakhs?

Ankit Agarwal: Yes, 4 lakhs.

Amit Bhatt: Okay. So, to open a new store you require only INR4 lakh investment, fixed investment, right?

Ankit Agarwal: Yes, that is the fixed investment, inventory is separate.

Amit Bhatt: Okay. So, you are talking that INR80 lakhs for the 20-store showroom?

Ankit Agarwal: 20-store because we want to make it a profitable app. Yes, it is not an experience centre…

Amit Bhatt: Yes, that is why perfectly okay. Thanks a lot.

Ankit Agarwal: Yes. Thank you.

Moderator: Thank you. We take the next question from the line of Ashok Shah from Eklavya Invesco Family Office. Please go ahead.

Ashok Shah: Sir, just now you stated that we are slow in utilizing IPO money. So, do we plan to acquire something and or going to do some Brownfield expansion for painting and other work and developing scooters? So, I have a question that how many engineers do we have in the development work and everything because we are going to outsource everything even developing new scooters?

Ankit Agarwal: So, to answer the first part of your question, Mr. Shah. So, yes, we are evaluating acquisition of other businesses also. We are open to options basically. If any good opportunity presents in the market, we have kept our eyes and ears open. And if any good opportunity presents then definitely we would latch on to it. So, in terms of development team and engineers are concerned, 25% I would proudly say that 25% of our workforce is of engineers as of today.

In the R&D team, we have about 16 to 17 R&D engineers. So, yes, so that's how, I mean, we are stacked currently in terms of number of people.

Ashok Shah: So, to develop a new scooter, what will it cost approximately? Because we are planning to develop two scooters?

Ankit Agarwal: Correct. So, the approximate cost for development of a new product, it is around INR5 crores per model.

Ashok Shah: So, what will be, how this INR5 crores can be associated? Can you just throw some light on this INR5 crores, how it will be spent?

Ankit Agarwal: Yes. I will give you some approximate numbers, Mr. Shah. So, about INR80 lakh to INR1 crores, this will go into the designing and the engineering design and creating mock-up models and clay models for the vehicle. About INR2.25 crores would go into making the moulds for plastic parts.

About INR80 lakhs would go into development of lights. And about INR35 lakh to INR40 lakhs would go into development of jigs and fixtures for the chassis. And balance, like INR60 lakh, INR70 lakhs or like a crores rupees would go into the homologation and testing and for creating other components.

Ashok Shah: So, mould does our vendor will be making or we have to invest in, we have to or we would plan to make a mould at our plant and product, all the plastic product will be produced in-house?

Ankit Agarwal: No. So, for making the mould, the investment has to be done by the company. Then only the product will be proprietary to Delta Autocorp Limited. Supposedly, if the vendor agrees also to make the mould on his cost, then he will be at liberty to sell it to other people in the market. Generally, vendors do not agree for the second option. So, it has to be the first option.

So, making plastic parts, Ashok ji is a business in itself because it requires injection molding. With our volumes, if we put injection molding in-house, A), the capex for those injection molding machines are very high and B) with the limited volumes, the cost of production per piece would be lesser or would be higher compared to… if we give it, if we outsource it to a seasoned vendor.

Ashok Shah: Okay. So, major part, 40% will be going to the mold cost only?

Ankit Agarwal: Yes. So, mold is something that is the costliest part in a vehicle like, typically…. because there are about 35 plastic parts in a scooter for which you need 35 different molds.

Ashok Shah: And if we do manufacture ourselves, what is the cost of the injection molding machine?

Ankit Agarwal: So, injection molding machine actually depends on the tonnage of the machine and to take out production out of 35 moulds, I assume that we will require at least four to five machines and the cost would be to the tune of INR3 crores to INR5 crores, that's my guess on that.

Ashok Shah: I think the mold machine will be not that much because I don't know which type of machine you are talking about. But let us say on the cost and have an increased profitability and have an in-house manufacturing more and more to save on the cost and make a more profit. Thank you, sir. Thank you.

Ankit Agarwal: Just one second. I'll just answer you, Ashok, on this. So, I mean, even if like, you're saying the cost of making of mold or the machinery will be lesser, but what I was referring to was like, even if we make… like I mean…. with our current volumes, if we make the parts in-house also, the cost of production will be higher compared to if we give it to a professional molder. So, at this point of time, like both from capex as well as opex point of view, it is not making too much of sense for us.

Ashok Shah: But we are also selling, sorry to interrupt. We are also planning to do repair works and do supply parts to for the other EV also. So, where it can be used also?

Ankit Agarwal: No. So, actually, the same mold which is being made for our scooters, the plastic parts cannot be fitted onto any other scooters. For that, it will be a separate capex of development of molds. For example, if we have to make mould for any other company scooter, so it will be an additional investment of INR2.25 crores.

Ashok Shah: Okay. Thank you. That's all from my side. Thank you.

Ankit Agarwal: Thank you, Ashok ji.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions, I will now hand the conference over to Ms. Pooja Gandhi from EquiBridgex Advisors Private Limited for closing comments.

Pooja Gandhi: Thank you. On behalf of Delta Autocorp Limited, I sincerely thank you all of our investors and analysts for taking the time to join us on today's earning call. Their trust, interest and continued support means a lot to us. We look forward to growing stronger together and keeping you updated on our journey ahead. Thank you once again for being part of our story.

Moderator: Thank you.

Ankit Agarwal: All right. Thank you, everyone. Yes sorry you go ahead.

Moderator: That concludes this conference for today. Thank you for joining us and you may now disconnect your lines.