

Date: May 31, 2024

<b>BSE Limited</b> 1st Floor, New Trading Wing, Rotunda Building Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai – 400001 <a href="mailto:corp.relations@bseindia.com">corp.relations@bseindia.com</a> <b>SCRIP Code- 544133</b>	<b>National Stock Exchange of India Limited</b> Exchange Plaza, 5th Floor, C – 1, Block G Bandra – Kurla Complex, Bandra (E) Mumbai – 400051 <a href="mailto:cmlist@nse.co.in">cmlist@nse.co.in</a> <b>Symbol-EXICOM</b>
--	--

**RE: Intimation under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “SEBI Listing Regulations”).**

**Subject: Transcript of Analyst/Investor Call on the Audited Financial Results of the Company for the 4<sup>th</sup> Quarter and Financial Year ended March 31, 2024**

Dear Sir/Madam,

This is further to our earlier announcement dated May 23, 2024.

In terms of Regulation 30 read with Para A of Part A of Schedule III to the SEBI Listing Regulations, we hereby submit Transcript of the Investors Call held on May 29, 2024, on the Audited Financial Results of the Company for the 4<sup>th</sup> Quarter and Financial Year ended March 31, 2024, which were considered and approved by the Board of Directors of the Company, at its meeting held on May 28, 2024.

The aforesaid Transcript will also be available on the Company's website at [www.exicom.in](http://www.exicom.in).

You are requested to take the above information on records and disseminate the same on your respective websites

Thanking you

Yours faithfully

**For Exicom Tele-systems Limited**

**Sangeeta Karnatak**  
Company Secretary & Compliance Officer  
Membership No. 25216



“Exicom Tele-Systems Limited  
Q4 FY‘24 Earnings Conference Call”

May 29, 2024



**MANAGEMENT: MR. ANANT NAHATA – MANAGING DIRECTOR AND  
CHIEF EXECUTIVE OFFICER – EXICOM TELE-SYSTEMS  
LIMITED  
MR. SHIRAZ KHANNA – CHIEF FINANCIAL OFFICER –  
EXICOM TELE-SYSTEMS LIMITED**

**MODERATOR: MR. RAHUL DANI – MONARCH NETWORK CAPITAL**

**Moderator:** Ladies and gentlemen, good day and welcome to Exicom Tele-Systems Limited Q4 FY '24 Earnings Conference Call hosted by Monarch Network Capital. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rahul Dani from Monarch Network Capital. Thank you and over to you, sir.

**Rahul Dani:** Yes, thank you, Zico. Good morning, everyone. On behalf of Monarch Network Capital, it's our pleasure to host the senior management of Exicom Tele-Systems Limited. We have with us Mr. Anant Nahata, Managing Director and CEO and Mr. Shiraz Khanna, CFO of the company. We would also like to extend our sincere congratulations to the Exicom team for an extremely successful IPO.

I now hand the call to Anant for his opening remarks. Thank you and over to you, Anant.

**Anant Nahata:** Thank you, Rahul. And good morning, everyone who have joined this call. We would like to extend our heartfelt gratitude to all of you for joining us today for Exicom's first earnings call. Today marks a significant milestone for Exicom as we share our financial performance and strategic insights with you. Your thoughtful questions and feedback are invaluable to us and we look forward to a productive discussion. Also, since this is our first time doing an earnings call, so please bear with us.

Going on to a little bit about our company, our company is a sustainable energy transition company working in two business units. First, EV charging, where we enable electrification of transportation via our EV charging products. Second, critical power, where we enable energy stability of digital communication infrastructure through our product portfolio of power conversion systems and energy storage.

However, underlying these two businesses at heart, we are a common power management solutions company where for both the businesses, we utilize common manufacturing infrastructure, similar supply chain and common engineering skill sets. I am happy to report that our overall revenues for the company grew to INR1,020 crores in FY '24 from INR708 crores in FY '23, registering overall 44% growth. Our critical power business registered 59% growth year-on-year from INR489 crores to INR776 crores and benefited from ongoing 5G deployments by Telcos, replacement of battery assets in field from lead acid to lithium ion by leading tower companies, additional exports and securing large projects for upgrading telecom networks, particularly in underserved regions.

Our other business unit EV charger grew at 11% from INR219 crores to INR243 crores and supported deployments across all vertical markets including home chargers, network rollout by leading charge point operators, captive fleet charging and heavy duty vehicle charging for buses

and trucks. While my colleagues will take you through the detailed financials, I wanted to present the industry scenario we operate in.

It is critical for EV charging infrastructure to come up swiftly to sustain the growth of electric vehicles. It is expected that Government of India will be releasing new EV policy framework with enhanced focus on charging. If you see the current numbers, e-passenger vehicles, new car sales almost doubled from 50,000, approximately 50,000 in FY '23 to about 1 lakh in FY '24. Today the penetration of e-passenger cars stands at 2.4% which is still low.

Compared to cars, the bus segment grew roughly 80% from about 2,000 units in FY '23 to a little over 3,600 units in FY '24 representing 5.7% electric penetration. As per various updates by auto OEMs available in media, almost 20 plus new EV car models will be launched in FY '26. Some may get delayed even to FY '25 and some may be closer to FY '26 compared to only 10 models which were released in FY '24.

Under PME SEWA scheme, about 10,000 electric buses will be rolled out pan India supported by central and state subsidies. Based on these developments and various industry reports including CRISIL, we expect the four-wheeler market to grow between 40%-50% CAGR till 2028 which also means that all underlying charging hardware market which is the area we operate in whether it's for fleet charging, bus charging or residential charging or public charging will also grow between 40%-60% CAGR in terms of absolute numbers that is INR1,400 crores in FY '24 market to about INR9,000 crores in FY '28.

With our long-standing relationships with leading car OEMs, top charge point operators, fleet aggregators in the country and our state of the art products portfolio which is customized to suit these individual markets, ongoing exports, we stand well positioned to ride the EV infrastructure wave. On exports as well, we are committed to taking best of Indian technology solutions to our international customers following their region specific requirement while also being closer to them. Efforts to diversify geographical revenue are ongoing in Southeast Asia and Europe particularly.

On critical power front that is our second business unit, continuing solarization of telecom sites where feasible, conversion of retiring battery assets from lead acid to lithium ion because of better cost of ownership and large projects funded by Government of India namely which is upgrading the network to 4G at BSNL, putting communication network in uncovered border villages, connecting more than 1 lakh panchayats by high speed broadband. All these projects put together is going to drive the demand for telecom power conversion equipment and batteries.

With our comprehensive product portfolio, customers approval in place, new value engineered power converters, we are also well placed to bid for these opportunities. We also look forward to take part in various pilots in the fast growing data center market with our new lithium ion battery solutions. As given in the presentation, we also look towards scaling on back of successful deployments carried out with various customers in Africa and Southeast Asia.

Lastly, our investment in R&D has been at the center of it all, leading to development of next generation chargers and power conversion equipment. As a company with enough capabilities

in hardware, software and system design, we have been able to support the latest EV standards and enhance user experiences. Notably, our recent launch of upgraded chargers for home, which is named as Spin Air and Gen 1.5 Harmony DC chargers for fast charging, will not only ensure long term business viability and market relevance, but also revolutionize charging experience for all type of drivers and cars.

Lastly, I want to touch briefly on our Hyderabad project, where we are developing integrated manufacturing complex for all our product lines, whether it is power conversion equipment, lithium batteries or state of the art EV chargers. The construction is in full swing and we expect to complete civil work by end of this calendar year, install plant and machinery in first quarter of next calendar year, which is 2025 and start trial production by April of 2025.

With this, I want to close my opening remarks and thank you once again for your time and commitment to always understanding Exicom's vision and achievements and as always, thank you for your support. Passing to Shiraz for the financial update.

**Shiraz Khanna:**

Good morning everyone and thank you for joining this call, the first investor call on the 29th of May. I am happy to first start with the order performance of how we started this April 24. We started with about INR360 crores of open orders with us, confirmed open orders with us.

This is much higher than the previous financial year, where on 1st of April '23, we had INR290 crores of orders. Quarter-on-quarter, these orders have been increasing, which gives us the confidence in going forward. We overall had INR1,106 crores of orders booked in the financial year '24 as compared to INR952 crores in financial year '23. So significant increase there as well, we have added new customers both in critical power and [EVS 0:10:06].

Anant has also shared with you a little while back in terms of our top line, which has increased to INR1,020 crores from the previous year of INR708 crores. This is a significant increase of 44% and a majority of it, of course, has come from critical power where there has been a huge buoyancy in the market of large system integrators deploying passive infrastructure for uncovered villages, conversion of lead acid battery to lithium by telcos and telecom towers. So that's been very positive. Even the EV side has been very strong performance where every vertical, sub-vertical has increased the performance and the revenue. And that's shown at 11% growth, as Anant mentioned.

In terms of the quarter-on-quarter performance, we see a 14% increase in this quarter of Jan-Feb-March against the previous quarter of October-November-December. Our gross margins have improved by 1.5%. Our finance cost has reduced by INR1.4 crores. And our overall income has increased -- other income has also increased by INR3.34 crores.

In terms of the overall performance for the year, the gross margin has increased by 2%, which is a healthy sign because of optimising on cost that we are trying to hold on. And that we have seen percolating down right till EBITDA and our PBT.

The account receivable on working capital has also shown improvement where we have improved from 166 days down now to 81 days in DSO. Our inventory levels on an absolute level may have gone up, but our sales have also, it is all comparison to the sales that have also grown.

And for that reason, the overall inventory also remains optimally utilised. And the DPO has also decreased, where we have been paying to our vendors on time.

With this healthy sign, I would just like to touch this on the cash flow, where we did generate a significant amount of cash flow, PBT of about INR93 crores. But given the investment that we did in our working capital, we had a cash excess of INR28 crores. We did invest more in capex, in building the plant. And we also paid off some of the working capital from the IPO receipts.

The IPO receipts that we had of INR400 crores is as per schedule, which has already been reported. And we have about INR296 crores still in FD, which is still to be spent as per the object clause.

The key financial ratios, they are all there, which have been posted. But what I would like to highlight is that the ROE and the ROCE. The ROCE, which is adjusted, which reads as 12.8. If you take out the fund that has just been infused, the adjusted ROCE will be 26.4% and ROE adjusted will be 18.4%.

With that, I will now hand back to the moderator.

- Rahul Dani:** Zico, we can open the line for question and answers.
- Moderator:** Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Naman Parmar from Niveshaay Investment Advisory. Please go ahead.
- Naman Parmar:** Good morning, sir. Thanks for the opportunity. My first question is, how big will be the opportunity size for the EV chargers, particularly in DC and AC chargers? Can you explain that?
- Anant Nahata:** Yes, thank you for your question. So as given in the presentation and in my remarks, the size of the EV charger industry is directly correlated with the growth of EV cars in the country. And that growth is expected to be 40% to 50% CAGR, at least for the next four, five years based on which there is a similar CAGR growth in the EV charger industry, which as per a report by CRISIL and other industry estimate also, in terms of absolute value, means a market of about INR1,400 crores in FY'24, which is expected to rise to about INR9,000 crores in FY'28. Thank you. And this includes both AC and DC chargers.
- Naman Parmar:** Okay, Yes, that's helpful. And second question is on, so basically we used to provide the charger to the various oil marketing companies on a lease basis or we used to sell the product only?
- Anant Nahata:** I didn't catch the question. Can you repeat it?
- Naman Parmar:** Yes, so we used to sell the chargers to the various oil marketing companies such as Jio, BP, you have noted in the presentation. Or we used to operate as a lease after selling the charger to the various oil marketing companies?
- Anant Nahata:** No, our business -- we are a technology and manufacturing company, so our business and both our business divisions is aimed at developing products and selling products. We do not own or operate these assets.

- Naman Parmar:** Okay. So you used to sell only chargers to these oil marketing companies or other clients?
- Anant Nahata:** Yes, these are outright sales.
- Naman Parmar:** Okay. And thirdly on, if you are bidding for various chargers that various oil marketing companies are coming with to deploy the public charging station, so how you will be preferred over various other players that are also there in the charging, right? So how you will be more preferred over the others?
- Anant Nahata:** So we have certain strengths in the company which we are, let's say, doubling down on and these are mainly experience for last four years. We have been in this space for last four years with one of the largest deployments in the country. We have our own R&D center, own IP which allows us to control the design, the cost, the manufacturability of the product and lastly, Pan-India Service Network.
- This is a critical infrastructure which requires, you know, if the charger fails, the person going there cannot charge the car. It's almost like you cannot fill petrol in your car at a station and that is not acceptable either by customers or owners of chargers. So having reliable product goods, Pan-India Service Network are the areas where we are investing in. Thank you.
- Naman Parmar:** Okay. And so you used to...
- Moderator:** May we request that you return to the question queue for follow-up questions, please?
- Naman Parmar:** Yes, thank you very much.
- Moderator:** Thank you. The next question is from the line of Rahil Shah from Crown Capital. Please go ahead.
- Rahil Shah:** Yes, hi. Good morning, sir. Firstly, I believe in the opening remarks, you mentioned about open orders. Was that for this year or last year? You said, started with INR360 crores of open orders. Is that for FY'25?
- Anant Nahata:** FY'24.
- Rahil Shah:** FY'24. So what about this year?
- Management:** 1st April '24 for the -- this financial year '25, we have INR360 crores orders. This as compared to the previous year was INR290 crores.
- Rahil Shah:** Okay. Now secondly, on this new facility that you're building, the new capacity you're adding, so can you just explain in simple words, so by when we will see this capacity operational, how much it will add to revenues this year and FY'26 as well? And what is it for exactly? How will it help the business?
- Anant Nahata:** Can you please repeat the question? The line wasn't clear.
- Rahil Shah:** So the new capacity that you're building, specifically the Hyderabad facility, what do you say?

- Anant Nahata:** Yes, plant.
- Rahil Shah:** I think the unit is for, I believe, EV charges. And so, Yes, you've listed the product types, but then can you also explain by when will this be operational? What kind of revenues it can add in this year and FY'26?
- Anant Nahata:** Yes. So as I mentioned in my remarks, this facility is to produce all our product lines the power conversion equipment, lithium batteries as well as EV chargers. Looking at the growth of these markets which we touched upon this investment is being made. In terms of the timeline, the facility is expected to start trial runs in April of 2025 provided the work over the next 9 months goes as per plan. And we think this will -- the investment is being done looking at the industry potential for the next 4 years to 5 years.
- Moderator:** Mr. Shah may we request that you use your handset? Sir, you're not audible, sir.
- Rahil Shah:** Yes so I was asking so let's say by April 25 this facility is functional. So then can you provide like in any ballpark terms in terms of numbers revenue it can add to the business? What is the potential here for us and what is the investment we are making in this?
- Anant Nahata:** The overall investment being made in this facility is about INR170 crores which approximately INR170 crores which is one of the main object losses for which the IPO funds were raised. In terms of the revenue it can do I cannot provide specific numbers, but our gross asset turnover is about 7 to 8 times. So over a longer term period that is what probably industries like us would be wanting to achieve over a long term time period once the production is stabilized and the industry demand matures to that extent.
- Rahil Shah:** So when do you expect the production to stabilize like peak utilization using this asset turn...
- Moderator:** May we request that you return to the question queue for follow-up questions, please? As there is several participants waiting for their turn.
- Rahil Shah:** Sure.
- Moderator:** Thank you. The next question is from the line of Kunal Ochiramani from Kitara Capital. Please go ahead.
- Kunal Ochiramani:** Congratulations on good set of numbers. Following to the last question of last person I wanted to ask this gross turnover ratio of 7 to 8 times shall be assume how many years and what will be the utilization for first 2 years, 3 years of the plant? If any guidance you can give on that?
- Anant Nahata:** This is the current asset is utilized that time and this would be a long-term target, but you have to understand we operate in a B2B business environment where policy the growth of the market so many factors affect what we do on year-on-year basis. While we are absolutely bullish on the long-term growth of the industry which is about 40% to 50% of the electric vehicle industry in general and therefore the same for chargers and about 10% growth in the telecom products that we operate in.



Based on that, based on what we think we can do in this market compared to our peers with our long-standing relationship with customers and all the capabilities around technology and products we are building in to support all that this manufacturing investment has been made.

**Kunal Ochiramani:** Sir repeating my question you said 7 to 8 times of the investment we can generate revenue at the peak utilisation that should be around INR1200 to INR1300 crores. Let's assume INR1000 crores in how many years can we do it? Should that be assumed that we can do in 3 years, 5 years or 7 years if you can give some guidance?

**Anant Nahata:** Again in terms of capability we can do it in the timeframe you mentioned, but it depends upon the market scenarios and our ability to win in that market which I am very positive about, but I will not be able to comment on specific number of years it will take us to do that. What you have is a long-term target and depending upon the industry growth rate we hope to achieve it in a reasonable period of time.

**Kunal Ochiramani:** Thank you.

**Moderator:** Thank you. The next question is from the line of Aaryan Mehta from Mehta Investments. Please go ahead.

**Aaryan Mehta:** Hi. Good morning sir and congratulations on the great year. I have been looking over the results for the term December of 2023 and for EV chargers our revenues for every quarter have been very stagnant. So for December quarter ending December 2023 they were around INR65 crores and this quarter we did around INR55 crores. Can you please mention the reason for this especially when industry is growing this fast? Why is our revenues very flat here?

**Anant Nahata:** So in the EV charging industry as I mentioned FY24 was the year where there was growth, but two things. One infrastructure does come slightly earlier than the car launches in anticipation of the car launches number one. Number two what we had in FY24 and what we'll have in FY25 or first half of FY26 is almost 2x of passenger car launches and even possibly bus sales.

So we are very excited about the next 2 years, 3 years what India as a country can do in electric mobility in terms of adoption and therefore the growth in EV chargers as well. As far as our FY24 results are concerned we grew 11% over our last year numbers and the good thing is we are present in all the vertical markets of EV charging that growth is not coming unlike many players in the industry whose focus is one or the other charging segment. we are present in-home charging, fleet charging, bus charging, powering many CPUs for the network rollout and we expect this to grow in the coming years as per the industry growth trends.

**Aaryan Mehta:** Yes, that makes sense and we are also adding capacity so that gives confidence. My second question is that how are we seeing the traction in the data centre application of our critical power segment because India is going to double the data centre capacity in the next two three years so how are we seeing the traction here?

**Anant Nahata:** Correct, so as I mentioned in my remarks data centre obviously is a very big opportunity not just for our products but for the industry in general this is a segment where we have recently

developed products and our aim is to do significant pilots in this sector to be ready for mass product rollout in the later years so at this stage we are only in pilot scale with our new products.

**Aaryan Mehta:** That sounds great and my final question is do we plan to enter the best segment because renewable energy capacity is expanding in India solar capacity is going to go to 280 gigawatts in the next 3-4 years so are we going to enter that segment?

**Anant Nahata:** As a company we have always used our domain experience and knowledge to enter into industries with technology agency or infrastructure agency for example, we used to produce power conversion equipment and interface with traditional batteries all the time and we realized that lithium batteries could be a really good fit and that's why we diversified into that with knowledge of batteries for telecom we made batteries for data centre application which we just spoke about.

So, that way one of the key strengths of the company is to use domain experience and technology experience to enter into related areas and we continuously look for those opportunities and evaluate them on case-by-case basis, this is one of such opportunities which in the fast-growing overall renewable area again, the immediate plans of hours and critical power continue to be around telecom data centre and EV charging but we continue to look at new opportunities like the ones you mentioned and if and when there is an update we'll definitely let all the stakeholders know.

**Aaryan Mehta:** My final question is, I want to understand how is our partnership with OEMs? In our DRHP, we've written that we closely partner with M&M or JBM auto. How is the partnership? Is there any agreement or a contract or how does that work?

**Anant Nahata:** Case by case it differs but we do supply a lot of home chargers. Which get bundled with the car by these OEMs and get supplied. And depending on what relationship we have short to long-term agreements with such OEMs.

**Aaryan Mehta:** Thank you and all the best.

**Moderator:** Thank you. The next question is from the line of Vignesh Iyer from Sequent Investments. Please go ahead.

**Vignesh Iyer:** Congratulations on a good set of numbers and thank you for the opportunity. So, I was looking on the segmental side on your consolidated statement and what I see is last year the same quarter we had delivered a higher number on EV charger side and I understand there will be certain lumpiness considering how the delivery happens.

But just to understand more on the EBIT side of it, where we had more like a 25% margin that has come down now, 25% EBIT margin that has come down in last quarter as well as this quarter. Is this related to any specific product? I mean or is it related to a product that was -- had less competition 12 months back and has more competition hence we had to take a hit on the margins?

**Anant Nahata:** So, three key points regarding that. First, as you identified in B2B market there may be a bit of lumpiness in quarter versus quarter. Number two, in last financial year where the volumes had just started to pick up we did not have a lot of service cost because mostly we were supplying the product. And the whole chain of supply of the products, installation, commissioning, and therefore starting of warranty expenses that takes time to start.

So, we did not have a lot of those going in last year. Third is somewhat product mix. And fourth, probably which accounts for the maximum reason for this is the way we allocate a lot of common expenses, which a lot of those are distributed with respect to revenues. And we did not have as a proportion, EV charger was still smaller revenue and therefore the allocation which differs from this year. So, all these three, four factors combined lead to a different EBIT scenario in the current quarter which is a more sustainable EBIT number.

**Vignesh Iyer:** Okay, got it. So, if I have to just understand from the type of chargers that you sold coming to your more recent fast DC chargers that is in place. So, what the product that we sold 12 months back, what is the percentage of revenue that constitutes the sale for this quarter's total sale? Just one, if there is a product that was almost like 50% of total sales 12 months back is it having a similar amount of sales to the total percentage of EV chargers sold or has it gone down and a newer product have taken it?

**Anant Nahata:** So, as a company, we focus on all the segments in EV charging. Even last year we used to supply focus on all the four segments home, bus, CPO and fleet same as the case this quarter as well. There may be slight difference in the product mix but largely the product mix or the market mix won't have changed drastically because our focus continues to be the same. it has not shifted

**Vignesh Iyer:** There's one question on the tax part of it. So we have paid tax at almost 31% in this year. Would we be shifting to a newer tax regime of 25% going ahead?

**Shiraz Khanna:** So we have already shifted to the new tax regime this year and also the percentage of tax mix effectively will come about 25% which is the new tax regime going forward.

**Vignesh Iyer:** Okay, thank you. I'll get back in the queue.

**Moderator:** Thank you. A reminder to all participants, you may press star and one to ask a question. The next question is from the line of Naman Parmar from Niveshaay Investment Advisory. Please go ahead.

**Naman Parmar:** Thanks for the follow-up question. I just wanted to know the battery that you are manufacturing is how much percentage it is indigenous or how much percentage you use to import? Can you provide that?

**Anant Nahata:** Some colour we have provided in the recent investor presentation. We, as you heard in the opening remarks, we are absolutely focused on developing technology in India which allows us to not only control cost quality but also have a high degree of confidence on the localization we can achieve due to home-grown technology.

That is one of the reasons we have been able to work with customers across all the segments because of local manufacturing facility and that continues to be one of the top agendas, which is also aligned with overall government's agenda of localizing a lot of EV components.

Today, a lot of you may have visited our plant during the IPO time and right from stuffing components on PCB all the way to the system built we do in-house. There are certain strategic components for which we are dependent upon outside vendors, but localization continues to be one of the key focus areas for us along with home-grown technology.

**Naman Parmar:** How much percentage it is from India, can you provide that or sourcing them locally?

**Anant Nahata:** I will just allow us 5 minutes to just get back to you on this.

**Naman Parmar:** Okay.

**Moderator:** Thank you. The next question is from the line of Abhishek Kumar from Sanctum Wealth. Please go ahead.

**Abhishek Kumar:** Hi, good morning. Congratulations on your set of numbers. So I have two questions. The first question relates to your partnership with OEMs. I just want to understand if it is exclusive partnerships with OEMs or is because other partners are also there for OEMs or charges?

**Anant Nahata:** The partnerships are not exclusive in nature. OEMs, as you are aware, they have a strategic sourcing policy, not just for EV chargers. This is a general answer for a variety of components they source. And we do enjoy being single source at some of these OEMs, but the partnership is not exclusive. With the good results in technology products and service we have delivered, we hope to continue to enjoy good share from our partners in the future.

**Abhishek Kumar:** Thank you. Understood. My second question was with respect to your maintenance, So, for example, I just said that, the idea of it. So once we sell chargers to OEMs and to say fleet operators and CPOs, do they get bundled along with services in kind of maintenance for the entirety of the contract or how exactly it is sold?

**Anant Nahata:** So, a fair question. Whenever a product gets sold in any of our business units, these are critical applications. They do go with a period of warranty which may range from one year to three years and after which on case-to-case basis there may be annual maintenance contracts and there may not be. It depends upon the customer choices and what infrastructure the customer is building to operate and maintain these assets and depending on case-by-case basis, we may enter into these contracts for a short-term or a long-term basis.

Typically, life of these equipment is between 10 and 12 years and that is the longevity of the service contract if at all we enter into it with the customers.

**Abhishek Kumar:** Okay, and just the last bit on the competition. So, what kind of competition do you see from domestic players driving and from exports also?

**Anant Nahata:** Like any fast-growing big industry, there is always competition. We acknowledge competition but we are really focused on how we can provide the best value to the customer and what we have to do internally for that and that is based on what we heard from the customers based on where we thought improvements have to take place.

We have recently launched new products in EV charging, which has spoke about spin air for the home charger and Gen 1.5 Harmony, the DC charger which is one of the fastest chargers available in India at 400 kilowatts. And this is the strategy which has paid us - paid off in the past and I'm sure it will in future as well. With our own design, IP, R&D, integrated manufacturing facility, we do have certain trends which we want to leverage to give better solution to the customers as well as, fare better than our peers.

**Moderator:** Thank you. The next question is from the line of Harsh Kumar from MIV Investment Management. Please go ahead.

**Harsh Kumar:** In your presentation, you've talked about the domestic EV charger market growing from 14 billion to a close to 95 billion over FY'24, FY'28. Is it safe to assume that we might be growing at half the rate over the same period for our own EV business?

**Anant Nahata:** So, I can't, thanks for the question. If they, ideally for any company, the industry growth rate is what, is the growth rate that even the component players or EV charger players will target. I cannot comment specifically, on what's a safe target to assume, but as a company, our ambitions are bold, they're big, and we'll try to maintain in the industry in the coming years.

**Harsh Kumar:** And you've also talked about your foray into Europe. So could you throw some light on what's going on there? Like have you partnered with a few OEMs out there?

**Anant Nahata:** So in Europe, our efforts, and it's not just Europe, even in Southeast Asia, our efforts have just started recently. We have gotten some good pilots, some good initial successes in foreign markets. As articulated in the presentation, at this time, we are investing in building sales service network. We are investing in, customizing or developing the technology as per needs of those markets. There investing in certifications for those markets. And once all these are in place, we can see probably business starting in a more whole some manner. But we are very excited by what we have seen in terms of pilots and acceptance of our products in those markets.

**Harsh Kumar:** And would you be exporting your products from India or do you have a manufacturing facility out there?

**Anant Nahata:** No, we will be exporting from India.

**Harsh Kumar:** And just a last question on your power segment. So a couple of companies in the telecom sector, they've talked about moderating capex over the next year. So is that a cause of concern for you or is this not the place where you're looking at right now?

**Anant Nahata:** So, telecom is cyclical to some extent because whenever there is a new technology, when there was 3G or 4G or 5G recently and hopefully 6G sometime in future, those are the times when heavy investments take place and then the capex by the Telcos is moderated to utilize those

assets better, right? And that is a factor in our business. However, our business is determined by not -- just this one factor, there are other things such as solarization.

People are, at these lean times, people look at efficiency. So solarization of telecom sites is a factor which is playing on as articulated in our presentation. Conversion of lead acid to lithium ion, which was spoken about two, three times today, that's a factor which is growing our business. And these are to do with increasing efficiency of networks, not really putting, new growth graphics capex out there.

Similarly, export is an angle which we are absolutely focused on and growing on. Some good case studies have been articulated in the presentation. So, all these put together, we are hopeful of achieving our business target.

- Harsh Kumar:** Thanks. That's it from me.
- Moderator:** Thank you. The next question is from the line of Amit Kumar who is an investor. Please go ahead.
- Amit Kumar:** Thank you for the opportunity sir. So I have a question that how many ACM EC chargers we have sold in FY'24?
- Anant Nahata:** We have given overall numbers. At this point, we are not disclosing individual number of chargers but to give you confidence, as I said earlier, we are present across all vertical markets, which includes home charging. That's primarily the place where AC chargers go and other markets where the DC chargers go. We are focused on all the markets.
- Moderator:** Thank you. The next question is from the line of Rahil Shah from Crown Capital. Please go ahead.
- Rahil Shah:** So, you mentioned about the data centers that you are doing significant pilots, and you will do mass production at a later stage. So by when can we expect this? How long will this pilot stage last?
- Anant Nahata:** As I mentioned, we are vying for pilots this year. And again, in this B2B environment, there is a process by which pilots get converted into mass orders. I cannot specify any timeline right now but this is one of the focus areas for our expansion going forward.
- Moderator:** Thank you. Mr. Shah, may we request that you return to the question queue, please?
- Rahil Shah:** I just have one question.
- Moderator:** The next question is from the line of Abhishek Kumar from Sanctum Wealth. Please go ahead.
- Abhishek Kumar:** Hi, just in confirmation with the previous participant's question. So, what opportunity size if we can maybe quantify with respect to data centre options?
- Anant Nahata:** Sorry, I couldn't see. Can you be a little louder?

- Moderator:** We are unable to hear you, sir.
- Anant Nahata:** What opportunity size do we see with respect to data centre options, if we can quantify it?
- Anant Nahata:** Theoretically, the batteries in data centre is a fairly large market. To my best of knowledge from industry reports is in INR3,000 crores to INR4,000 crores, but that is not probably the addressable market for lithium-ion battery players. Most of these batteries are traditional technology batteries and like in telecom, which started with conversion to lithium-ion about 10 years ago, this industry, because of more complexity around how and why you can change and cost of ownership reasons, that trend of conversion is just starting.
- So, it will be a slow growth market for some of these new technologies, but as we have seen with any new technology, once we hit that inflection point, that's when the market starts growing really fast. So, as an industry, not hit that inflection point in data centre right now. So, at least for us, the key is to do pilot, demonstrate the benefits of this technology and grow sequentially and help the market along with the other industry players to really reach that inflection point. And that's when the size and addressable market becomes really interesting.
- Moderator:** Thank you. Ladies and gentlemen, that was the last question for the question and answer session. I would now like to hand the conference over to the management for closing comments.
- Anant Nahata:** So, I know I thank you everyone for your valuable feedback and questions and a very productive discussion and we have noted your feedbacks and I'm sure you are excited by the vision and the growth Exicom, is witnessing or is expected to witness in the coming years and will be in close touch with all of you. Thank you so much. Thank you for your support.
- Moderator:** Thank you. On behalf of Monarch Network Capital, that concludes this conference. Thank you for joining us and you may now disconnect your lines.