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TAMIL NADU- **GSTIN** 33AABCP3805G1ZU

Date: 18th February, 2026

To,
BSE Limited (“BSE”),
Corporate Relationship Department,
2nd Floor, New Trading Ring,
P.J. Towers, Dalal Street,
Mumbai – 400 001.

To,
**National Stock Exchange of India
Limited (“NSE”)**,
“Exchange Plaza”, Plot No. C-1, Block G,
Bandra Kurla Complex, Bandra (East),
Mumbai – 400 051.

Scrip Code: 544144
ISIN: INE772T01024

NSE Code: PVSL
ISIN: INE772T01024

Dear Sir/Madam,

Sub: Transcript of the Investor Conference Call – Un-Audited Financial Results for the third quarter and nine months ended December 31, 2025.

Reference- Disclosure under Regulation 30- Schedule III- Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In continuation to our intimation dated 30th January, 2026, and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the transcript of the Investor Call held on Wednesday, 11th February, 2026 on the Un-audited Financial Results for the third quarter and nine months ended 31st December, 2025 is enclosed herewith.

The same is available on the Company’s website at www.popularmaruti.com

We request you to kindly take the above information on record.

Thanking you,

Yours faithfully,

For Popular Vehicles and Services Limited

Varun T.V.
Company Secretary & Compliance Officer
Membership No: A22044
Place: Kochi



“Popular Vehicles and Services Limited Q3 & 9M FY '26 Earnings Conference Call”

February 11, 2026

E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchanges on 11th February 2026 will prevail.



**MANAGEMENT: MR. NAVEEN PHILIP – MANAGING DIRECTOR AND PROMOTER, POPULAR VEHICLES AND SERVICES LIMITED
MR. RAJ NARAYAN – CHIEF EXECUTIVE OFFICER, POPULAR VEHICLES AND SERVICES LIMITED
MR. ABRAHAM MAMMEN – GROUP CHIEF FINANCIAL OFFICER, POPULAR VEHICLES AND SERVICES LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to Popular Vehicles and Services Limited Q3 and 9 Months FY '26 Earnings Conference Call.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing ‘*’, then ‘0’ on your touchtone phone. Please note that this conference is being recorded.

Before we begin, a brief disclaimer:

This conference call may contain forward-looking statements about the company which are based on the beliefs, opinions and expectations of the company as on date of this call. These statements are not the guarantees of the future performance and it may involve risks and uncertainties that are difficult to predict.

I now hand the conference over to Mr. Naveen Philip - MD and Promoter from Popular Vehicles and Services Limited. Thank you and over to you, sir.

Naveen Philip: Thank you. Good afternoon, everyone and thank you for joining us today.

Over the past few quarters, PVSL has navigated a challenging yet evolving operating environment with discipline and clear long-term strategic focus. I am pleased to share that the Q3 FY '26 has emerged as the strongest performing quarter after nearly 1.5 years of muted performance. The quarter marks a clear inflection point for the business, supported by meaningful improvement in customer sentiment and a broad-based recovery in demand across key segments.

Customer sentiment improved significantly during the quarter, particularly following the recent GST reforms, which acted as a strong catalyst for demand revival. This was most evident in the entry-level passenger vehicle segment, where volumes rebounded sharply after a prolonged period of inventory overhang. Post-GST rationalization, entry-level passenger vehicles' volumes grew by over 35% year-on-year in Q3 FY '26, reversing the weakness witnessed over the past 5-6 quarters. This recovery was complemented by continued strength in the premium vehicle segment, which delivered volume growth of 30% Y-o-Y, reflecting resilient discretionary demand and improved product offerings from the OEMs. Encouragingly, the commercial vehicle segment also showed early signs of a turnaround, with volumes growing by over 52% Y-o-Y in Q3 FY '26. With the Indian economy continuing to grow at a healthy pace and the Union Budget's strong emphasis on infrastructure development, we remain optimistic about a sustained recovery in CV demand over the medium-term.

In the EV two-wheeler segment, penetration levels continued to rise, Ather gained further market share during the quarter, translating into a strong growth in both volumes and revenues for us,

reinforcing our positioning in this fast-growing segment. That said, luxury car volumes, namely JLR, were temporarily impacted due to a cyberattack at one of our OEM partners, which disrupted operations during the quarter. I am happy to share that the issue has now been fully resolved, operations have normalized and we expect a pickup from Q4.

Service business witnessed some softness during the quarter, largely reflecting the lag effect of lower new vehicle sales in the earlier periods, as vehicles typically enter the service cycle after 1 or 2 years. However, our continued focus on higher margin services such as collision & repair helped partially offset the impact of lower volumes. As a result, service topline increased marginally by 1% Y-o-Y. With the recent recovery in vehicle sales, we expect service volumes to improve steadily over the coming 2 years.

Operational performance:

From an operational standpoint, inventory utilization and execution efficiency improved sequentially. This was supported by the GST reform led demand recovery, particularly in entry-level vehicles. The exit of two OEM relationships that freed up management bandwidth and sustained cost-relation rationalization initiatives. Our continued emphasis on operational excellence and a balanced mix of value and volume led growth resulted in meaningful reduction in inventory levels. The rolling 3-month average inventory currently stands at 22 days, while the new vehicle inventory is at 19 days, reflecting improved supply demand alignment and disciplined working capital management. Importantly, our balance sheet remains robust, providing flexibility to fund growth initiatives, manage cyclicity, and pursue selective expansion opportunities without compromising financial prudence.

Strategically, PVSL remains committed to diversification across customers, geographies, and product applications. We continue to deepen relationships with our existing OEM partners while investing in technology, automation, and process improvements to position the business for sustained growth. During this period, we strengthened our luxury portfolio with the addition of an Audi dealership, acquiring an existing Audi dealership covering Telangana and Andhra Pradesh. This marks the beginning of a new OEM relationship with one of the world's leading premium automobile manufacturers. We believe that the luxury and ultra-luxury segment in India remains significantly under-penetrated, and as progress towards becoming the world's third-largest economy, rising income levels and improving purchasing power present a compelling long-term opportunity.

In addition, we entered into an agreement to become the authorized distributor for Balkrishna Industries Limited, (BKT) in Kerala and Karnataka, covering the two-wheeler and passenger car radial segments which they are just entering into. This represents an important expansion of our spare parts business and provides an additional growth avenue beyond vehicle retailing. We also established ZPAREX Digsolutions Private Limited, an e-commerce platform for spare parts and accessories, as a step-down subsidiary under our wholly-owned subsidiary, Popular Mega Motors. This initiative further strengthens our omnichannel presence in the spare parts

ecosystem. All these initiatives align with our strategy of segment, geographic, and revenue diversification while participating in India's long-term structural growth story. We believe that the expansion undertaken over the last 8-10 months positions us well to drive strong growth momentum ahead. Our focus will now shift towards consolidating and stabilizing the recently acquired businesses and fully integrating them with our existing operations. We will continue to pursue organic growth opportunities wherever there is potential to expand our offerings for customers, while adopting a measured approach to further acquisitions rather than pursuing them aggressively. With this strategy, we expect to deliver a healthy and sustainable growth going forward.

Financial performance:

Financially, 9-month FY '26 was characterized by steady operational execution amid external headwinds. Demand softened across key markets and sustained pricing pressures impacted revenue growth during the period April to mid-August. Despite these challenges, we remained firmly focused on cost control, working capital discipline, and balance sheet strength. This disciplined approach allowed us to place the business on a stronger footing, enabling us to effectively leverage the improving external environment following GST reforms.

New Vehicle Volume Performance:

16,023 units sold in Q3 FY '26 vis-a-vis 11,151 in Q3 FY '25, a 44% increase Y-o-Y, and a 23% increase quarter-on-quarter from 13,012 units in Q2 FY '26. For 9-month FY '26, we sold 38,567 units, an increase of 14% from 33,717 units in 9-month FY '25. The growth in volumes during the latter part of the quarter and across Q3 FY '26 helped us preserve margins despite taking provisions towards cess due to prevailing uncertainties. As a prudent measure, we have absorbed the impact in the current and previous periods. Excluding this provision, EBITDA margins would have been approximately higher by 20 basis points.

Further, the acquisitions completed during 9-month FY '26, along with ongoing organic network expansion, will have a near-term impact on our cost structure during the current financial year and may exert some pressure on margins. The full revenue benefits from these initiatives are expected to accrue from FY '27 onwards. Accordingly, we expect EBITDA margins to normalize towards 5% range in FY '27 as scale begins to kick in.

At the PBT level, the overall IndAS impact amounts to Rs. 4 crore from acquisitions and around Rs. 3.5 crore arising from the compensation scheme from Q3. In addition, there is an additional impact of Rs. 1.6 crore due to the new Labor Code. For 9-month FY '26, after adjusting the divestment gains, cess provision and the impact of new Labor Code and acquisition-linked depreciation, IndAS adjustments and initial transition operating losses, PBT would be approximately Rs. 3.4 crore.

FY '26 Outlook:

Looking ahead, while the worst appears to be behind us, recent GST reforms, implementation of the revised 8th Pay Commission and income tax cuts announced last year have supported gradual recovery in consumer sentiment and improved traction in entry-level vehicles, a segment that has been on track over the past 2 years. This coupled with easing inventory levels and lower discounting, is supportive of margin recovery. We expect Q4 FY '26 to outperform Q3 FY '26, enabling FY '26 to close with mid-teens growth vis-a-vis FY '25, compared to our initial expectation of a single-digit growth.

FY '27 Outlook:

Demand indicators are turning decisively positive, with customer inquiries and footfalls showing strong momentum. Our organic and inorganic initiatives executed over the past 12 quarters are expected to further strengthen the business model. The service business is expected to rebound driven by expansion into newer geographies and recent acquisitions. Services remain structurally resilient, with organized players gaining market share. While revenue remains relatively stable due to higher-value services, we expect double-digit service volume growth from FY '27. Additionally, our focus on scaling other high-margin verticals, particularly the spare parts business alongside services, should contribute meaningfully to both revenue and profitability. With continued emphasis on internal efficiency improvements, we expect these initiatives to translate into high double-digit topline growth in FY '27, with an EBITDA margin target of 5% and PAT approaching FY '24 levels.

To conclude:

PVSL is confident in its strategy, prepared for the up-cycle and committed to emerging stronger and more resilient in the years ahead. The underlying demand environment is clearly improving. With healthier inventory levels, lower discounting, continued network expansion, and several new model launches lined up by OEMs, we believe the company is well-positioned to sustain volume growth momentum and deliver improved financial performance in the coming quarters. Our focus remains clear, driving profitable growth, enhancing return ratios, and creating long-term value for stakeholders.

Thank you. That is all from my side. I will now hand over to Abraham for further financial updates. Over to you, Abraham.

Abraham Mammen:

Thank you, Naveen. And good afternoon, everyone. I will take you all through the company's operational and financial performance for Q3 and 9 months ending FY '26. Before I start, please know that Honda and Piaggio volume and revenue was till August 2025 only.

Q3 FY '26 Key Highlights in Passenger Vehicles:

New vehicle volume stood at 10,428 units, up 38% year-on-year, from 7,571 units in Q3 FY '25. Total income from this segment stood at Rs. 749 crores, up 31% from Rs. 573 crores in Q3 FY

'25. Service volume stood at 1,72,495 units, down 19% year-on-year, from 2,11,665 in Q3 FY '25. Total income from this segment stood at Rs. 151 crores, down 2% from Rs. 154 crores in Q3 FY '25.

Commercial Vehicles:

New vehicle volume stood at 3,555 units, up 52% year-on-year, from 2,340 units in Q3 FY '25. Total income from this segment stood at Rs. 604 crores, up 66% from Rs. 363 crores in Q3 FY '25. Service volume stood at 53,949 units, up 17% year-on-year, from 45,962 units in Q3 FY '25. Total income from this segment stood at Rs. 94 crores, up 8% from Rs. 87 crores in Q3 FY '25.

EV:

New vehicle volume stood at 2,040 units, up 65% year-on-year, from 1,240 units in Q3 FY '25. Total income from this segment stood at Rs. 34 crores, up 50% from Rs. 23 crores in Q3 FY '25. Service volume stood at 10,200 units, up 80% year-on-year, from 5,660 units in Q3 FY '25. Total income from this segment stood at approximately Rs. 2 crores in Q3 FY '26.

Moving to the financial performance:

Our total income from the quarter stood at Rs. 1,791.8 crores, up 30.9% year-on-year, from Rs. 1,368.6 crores in Q3 FY '25, and up 16.8% quarter-on-quarter, from Rs. 1,534.6 crores in Q2 FY '26. Impairment losses reduced to Rs. 0.2 crore from Rs. 1.7 crore in Q2 FY '26, driven by lower debtor provisions resulting from improved collections.

The employee costs during this period increased in the quarter primarily due to the integration of the Telangana and Punjab operations. EBITDA stood at Rs. 58.2 crores, up 68.5% year-on-year, from Rs. 34.6 crores in Q3 FY '25, and up 17.8% quarter-on-quarter, from Rs. 49.4 crores in Q2 FY '26. EBITDA margins stood at 3.3% from Q3 FY '26.

Other expenses include cess provision of Rs. 3.5 crores in Q3 FY '26, and Rs. 3.6 crores from Q2 FY '26. Adjusted EBITDA comes at Rs. 61.7 crores in Q3 FY '26, up 78.6% year-on-year, and up 16.4% quarter-on-quarter. Adjusted EBITDA margins stands at 3.4% from Q3 FY '26. We recorded an impact of Rs. 1.6 crores as an exceptional item due to the new Labor Code in Q3 FY '26. There was a PAT of Rs. 0.7 crores versus loss of Rs. 9.8 crores in Q3 FY '25, and PAT of Rs. 0.6 crores in Q2 FY '26.

Nine-month ending December FY '26 financial performance:

Our total income stood at Rs. 4,642.3 crores, up 10.9% year-on-year, from Rs. 4,185.4 crores in 9-months FY '25. EBITDA was at Rs. 145.9 crores vis-a-vis Rs. 145.7 crores in 9-months FY '25, an increase of 0.2% year-on-year. EBITDA margins stands at 3.1% for 9-months FY '26.

Adjusted EBITDA comes at Rs. 153 crores in 9-months FY '26, up 5% year-on-year. Adjusted margins stands at 3.3% from 9-months FY '26. There was a loss of Rs. 7.5 crores versus PAT of Rs. 3.3 crores in 9-months FY '25. As Naveen also mentioned, for 9 months FY '26, after adjusting for the divestment gain, cess provisions, the impact of the new Labor Code, acquisition linked depreciation, IndAS adjustments and initial transition operation losses, the profit before tax would be Rs. 3.4 crores.

The other updates

Credit Rating Update: India Ratings and Research Private Limited has affirmed the ratings of the bank loan facilities of Popular Auto Dealers Private Limited, a wholly owned subsidiary at A-/Staple. Awards and Recognition: Popular Mega Motors India Private Limited, company's wholly-owned subsidiary, received multiple accolades from Tata Motors for the South India region for Q3 FY '26. They were the Highest Volume Growth - Magic & Winger - Winner, Customer Support - Winner, Customer Success Center - Winner, CPSC – SCV PU - Winner. Popular Auto Dealers Private Limited, company's wholly-owned subsidiary, has been recognized and inducted into the prestigious MSGA Club for outstanding performance and also received multiple accolades from MGP Parts Distributor Meet 2025 of the OEM. Product Champion in Accessories (MSGa - AC Gas), All India Highest MSGA Retail Award, Independent Workshop Retail Growth Award and All India Highest Parts Retail Growth Award.

The state-wise revenue break-up for Q3 FY '26 is Kerala at 55%, Tamil Nadu 26%, Karnataka 11%, Maharashtra 5%, Punjab 2% and Telangana at 1%.

That is it from my side. Now, I would like to open the floor for Q&A.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Preet Pitani from InCred AMC. Please go ahead.

Preet Pitani: Thank you for the opportunity. Sir, I would like to ask about the debt currently which we have. Like September we have reported around Rs. 1,100 crores of debt. What would be the debt as on December 25? And do we expect it to further rise or will it stay at the same levels? And also if you can mention something about inventory days across products?

Abraham Mammen: So to start on the debt position that we are looking at, the approximate debt that we have in the balance sheet at this point of time is close to around, total borrowings being around Rs. 655 crores. The expectation is that -- the reason for this increase in the debts that we have is primarily an account of the acquisitions that we have taken during this year. We have close to around Rs. 80 odd crores in terms of the term loans that we have taken for the Telangana and the Globe acquisitions, both in terms of the term loans that we have taken. From the inventory position that you actually mentioned, the inventory levels have significantly reduced when we look at it from a 9-month period at the end of December 2025. And we are expecting these levels to come down significantly. The levels that we are really looking at is close to around 21 days in terms of the

inventory, and that is the total inventory across the organization, while the new vehicle's inventory has come down to close to around 18-19 days. Now, the forward position in terms of the exit for the inventory that we are looking at is to maintain the same level as the inventory that we had as on the exit of 31st March 2025. We would have an inventory of close to around Rs. 550 odd crores, while we are expecting a topline growth at the exit for the current financial year to go up from Rs. 5,500 crore exit for 2025 to move to a Rs. 6,500-Rs. 6,600 crore, 20% growth. And with the acquisitions, we would still keep the inventory at the same Rs. 550 odd crores.

Preet Pitani: Thank you, sir. Sir, on the debt position, you mentioned that we have a long-term loan of Rs. 655 crores, right?

Abraham Mammen: It is a mix of long-term and short-term. The major borrowings that we have on our balance sheet is on account of the vehicle loans that we have, that is the inventory funding that we have. We have term loans that we have taken for the acquisitions that we have actually made. The term loans that we have in our balance sheet was close to around Rs. 80 crores.

Preet Pitani: Term loan Rs. 80 crores and total debt of Rs. 655 crores excluding that term loan?

Abraham Mammen: No, that is including the term loan.

Preet Pitani: And do we expect it to further rise because we have to make some payment for the subsidiary or it will be done by cash flow from operations?

Abraham Mammen: No, we don't expect the borrowings to go up. As Naveen mentioned, we are more in a consolidation phase in terms of what we have been doing. The inventory levels are expected to come down and so the borrowings also will not go up.

Naveen Philip: I think you have shown only Rs. 47 crores in term loan of 50The remaining is lying in....

Abraham Mammen: Yes, so the remaining is, so there is the borrowings that we really need to pay out. So that is the reason it is actually sitting in the current.

Preet Pitani: So we expect to close March '26 around Rs. 650 crores, same level of this debt?

Abraham Mammen: Same level of, yes.

Naveen Philip: No, not Rs. 650. Rs. 550 crores in terms of working capital debt, which is the same as FY '25. So I mean a rough scan would be in terms of Rs. 6,600 crores we would, if you look at 12 months, one month inventory is about Rs. 500 crores. But we would be close to that. In fact, it will be slightly lower in terms of inventory on that, closing inventory.

Preet Pitani: Got it, sir. Sir, my next question would be on the line of Audi business, which we have acquired. What kind of margin do we expect from that business in gross margin as well as EBITDA margin in both the business, service as well as sales?

Naveen Philip: Yes. So it will be quite similar to a Jaguar Land Rover business. Only thing is it will take a little more time for that business to kick off. This quarter, it would be probably negative in terms of, because we have just kicked off that business in January. February onwards, we will probably start selling vehicles. And Audi as such, the volumes are quite low right now. So the first 6 months, I think the margins in sales would be slightly lower. In terms of service margin, we expect the same service margins as our Jaguar Land Rover business.

Preet Pitani: Got it, sir. I will join back in the queue. Thank you.

Moderator: Thank you, sir. The next question is from the line of Nilesh Doshi from Prospero Tree AMC. Please go ahead.

Nilesh Doshi: Thanks for the opportunity. Am I audible, sir?

Naveen Philip: Yes, Nilesh, you are.

Nilesh Doshi: Thank you. Thank you, sir. Good afternoon, sir. Sir, I am the investor since IPO. So my question may be more than the Quarter 3 only. Sir, Popular Vehicle is a dealer for the leading OEM. The revenue of the said OEM is growing, its profit is growing. But the dealer, Popular, the profit is continuously falling because the employee cost is always increasing. It is always higher than the EBITDA margin, not the margin, EBITDA. So in such circumstances, even though our revenue is growing, our profit is not growing. Our GP margin is, even in the Quarter 2, Quarter 3 also, it is from 14% to 12%. Last quarter, there was less demand and the company is required to offer the higher discount. Quarter 3 is different because there was a GST cut as well as the demand was higher. OEM itself is growing. The Maruti particularly, retail sale has grown by 43%. In such circumstances, when the Popular will report the profit number, which it used to report at least pre-IPO or after at least in 1 or 2 quarters post-IPO?

Naveen Philip: Yes, which is why I think we have given the guidance. Nilesh, I can understand the pain in that. In terms of the profit margins and the profit, we have given a guidance that FY '27, we should close at least as much as FY '24, which is about Rs. 76 crores PAT. So that is what we are looking at.

Nilesh Doshi: And is there any plan to control, because company cannot generate the higher demand, but at least can control the operating cost. Say, employee cost is ever increasing, every quarter-on-quarter and employee cost is higher than currently in the last 5 quarter, the employee cost is higher than the EBITDA. It is more than the Rs. 100 crores of the employee cost. And the EBITDA is around Rs. 50-Rs. 60 crores. Even in this quarter also, it is around Rs. 60 crores. So when the shareholder will be rewarded because you are generous, you are offering the higher

salary, everything to the employee. But what about the shareholder? Because really, we feel the pain because in the last 5 quarters, we were not rewarded and the stock price has come down. We understand that stock price is not in the control of the company, but at least the operating cost can be controlled, sir?

Naveen Philip: Yes. And that is why we are giving the guidance for FY '27 that we will be back in terms of FY '24 numbers, both in terms of profitability and in terms of EBITDA margins.

Nilesh Doshi: Yes, sir. That is good. If it happens, we will be happy. Another question is related to the after-sales service. Because the after-sales service is a business which contributes the less number in revenue, but very high profitable margin, high profitable margin as well as high profit generating business. And in this quarter, the volume has de-grown particularly in the PV segment. So what has happened? No doubt the Honda dealership, we have exited from the Honda dealership. But I think that we are selling the higher number of Maruti cars. So that number should not be suffered that much. What happened and how the after-sales service business will grow?

Naveen Philip: Yes. So in terms of the after-sales business, we had expected 2% in terms of the organic growth and about 5%-6% in terms of acquisitions. Unfortunately, the organic growth has not happened. By end of FY '26, we would look at a flat over FY '25. But FY '27, we should see an increase of about 10%-12%, including whatever the acquisitions that have already been done, which is in Telangana and Punjab. So that we should be back on track, which is why we are giving the guidance in terms of the profitability also. Just to add, though the numbers have dropped, in terms of service value, we are higher by about 1%. But we expect that service value numbers will go further because the ASP has gone up by about 11%-12%. So combine that with about 8%-9% total growth next year, we will see a much higher in terms of service revenues.

Nilesh Doshi: In such circumstances, if the volume will also grow, then there will be a much higher profitability?

Naveen Philip: Correct.

Nilesh Doshi: Sir, is there any specific reason for degrowth in the GP margin from Q2 to Q3 on a quarter-on-quarter basis, though the revenue has grown? Are we still offering the higher discount to clear the inventory or is there anything revenue mix or particularly any change happened in Q3?

Abraham Mammen: So Nileshji, just to answer the question, yes, there has been a drop in terms of the gross margin. And from the previous conversations that we had at Naveen's presentation, there has been a change in the revenue mix that has happened, both for the Maruti. As the GST cuts happened, it encouraged the smaller car sales, so the volume in the smaller cars has actually increased, which comes at a lower margin. That is for the Maruti standalone. When we look at the second part, we also spoke about the Commercial Vehicle business and the Ather businesses have actually outgrown in terms of the total numbers. So when we look at the total mix on the Rs. 4,400 odd crores that we have done, and even for this quarter, the total mix on the commercial businesses

and the other businesses that we have has gone more than what the total is, because of which the margin percentages have actually reduced. But having said that, those all have added to the bottomline. There has been quite a number of corrections that have been taken care in the current quarters. Inventory levels have actually dropped significantly. Lower inventory levels means lower discount into the next year. It also means lower in terms of the interest cost. Yes, we should be actually seeing a turnaround in terms of the profits that we are expecting to see. And more importantly, the services business also will actually have the upside coming in with the sales that has taken place in the current year and the last quarters. We will see positives coming out of that. Yes, there is a little bit of erosion on margins in terms of the acquisitions that we have done. But having said that, these things, all of this will be taken care of with the kind of growth that we are seeing in the other businesses, Nileshji.

Nilesh Doshi: Thanks, and last question, sir. Is the Maruti, there is a GP margin is different as of model-wise or it is a flat margin Maruti in Maruti GP margin? Or second, the CV GP margin is less than PV?

Abraham Mammen: Yes, so the margins in each of these Maruti's are different from vehicle to vehicle. It is lower at the Arena scale and as the vehicle price goes up, the value is actually increased. Similarly, when we do a comparison between the mix of vehicles, passenger vehicles to commercial vehicles, the commercial vehicle percentages are lower and Ather is also significantly lower because of the value that we have. So as the mix actually changes, the gross margin percentage also is subject to a little bit of change.

Nilesh Doshi: Thanks from my side. Thank you.

Moderator: Thank you, sir. The next question is from the line of Preet Pitani from InCred AMC. Please go ahead.

Preet Pitani: Thank you for the follow-up question. Sir, you mentioned 1 or 2 quarters back that there is some restructuring program going on at the Popular and it will help to increase the margin and reduce the cost. If you could brief about what programs you were talking about and why we are not seeing it. It has been 1 or 2 quarters and we mentioned that it will be happening from second half of FY '26. So why we are not seeing that? What is the probable reason? Or if we are seeing and what is the outlook on that particular thing?

Raj Narayan: One that we talked about earlier was in terms of centralizing our entire back office. Today, we have a back office in each of our showrooms. We wanted to centralize it, which will bring in, the intent is more in terms of bringing efficiencies and reduce wastages while it does have an impact on the cost also. So that we actually wanted to kick start it in kind of Q3 and then end it up by Q4. That is what the plan was. But that is getting deferred by one quarter. Unfortunately, post-September, a lot of things that we did not think of happened and suddenly there was a surge of demand. We had to manage that also because with the delivery increasing, there was some bit of strain on our pre-delivery inspection and all. So that we said we have started that now in Feb.

Should be able to close it by about April or May. So early Q1, we should be able to kick start that. There was also another conversation in terms of centralizing our entire service marketing piece also. So this entire thing will come in across the next 2 months, so that Q1, we should be able to show proof on that.

Naveen Philip: Other than that, if you look at the ASP on the service side that has been consciously being built up in terms of increasing the ASP value. That is why I said we have been having 11% increase for the full year. But if you look at just Q3 to Q3, we have had close to about 17%-18% increase on the ASP, which will continuously take it forward. So these are the initiatives that we are trying. Which is why I said for the full year of FY '27, we should have an ASP increase of about 8%-10% at least in terms of service and increase the volume also by about 7%-8%.

Preet Pitani: Got it. Thank you, sir. And how much benefit it could be done in the absolute terms from that restructuring program which you are talking that back office centralization?

Raj Narayan: On an annualized basis, it should be about closer to Rs. 1.5 crore. But more than that, it will improve, that is the saving part. But it should improve our enquiry to retail conversion percentage by a good margin and also enhance the customer satisfaction, which will flow through into further additional business in the coming years.

Preet Pitani: Got it. Sir, second question would be on the line of Maruti. We saw that Jan wholesale numbers were not that good. Domestic wholesale I am talking, company told that the reason for the same is capacity concern. So is that the same problem we are also facing or we are seeing a good growth in Maruti?

Raj Narayan: Can you repeat that question one more please?

Naveen Philip: What was the concern that you mentioned?

Preet Pitani: They told that there is a capacity concern and that is why wholesale volumes were lower as compared to industry?

Raj Narayan: So it is not a capacity concern.

Naveen Philip: No. So from Maruti side, it could be because in terms of the vehicles that we have asked for, we have still not got in terms of Jan. So we in fact, we had a loss of sales in Jan because of non-availability of vehicles, which is continuing in Feb also. So the overall numbers are higher than the previous year.

Preet Pitani: But we are seeing a dip in the Jan month, in Maruti numbers?

Raj Narayan: So we didn't dip, but the expected growth did not happen because primarily I will tell the, some of the smaller cars like S-presso's were not at all selling in the last 2 years. But from October onwards, there has been a huge demand and we are not getting that to the supply. Similarly, post

the GST, even the premium hatch, Baleno and all, entry-level SUV, Fronx has also been doing good. So there, while we had a lot of stock pressure earlier, now the demand is slightly higher than what they can supply. But that should get evened out by about March, April is what they are saying.

Preet Pitani: Got it. And on our standalone number, we can see that in consolidated, we are breakeven by Quarter 3, but our standalone number shows Rs. 12 crores of loss. What kind of loss we expect in Quarter 4 on standalone as well as consolidated numbers?

Abraham Mammen: So the loss that we actually see in the standalone for PVSL is more coming because of the acquisition that we did in Telangana. The Telangana at a PBT level, we have a huge impact that is coming in for the acquisition in terms of the IndAS and the depreciation that is close to around Rs. 8 crores that has impacted us. If we take that out of the equation in terms of the calculation, PVSL would have actually been profitable. So that is the reason you actually see that. Having said that, from an operational profitability perspective for Telangana, we are expecting that to turn around, become operational by 2nd Quarter - H2 of 2026, we should actually see that breaking even and getting profitable. But the IndAS impact and the depreciation impact will continue because of the leases that we have, and that would continue for another couple of years.

Preet Pitani: And what do we expect in Quarter 4 of this financial year in both standalone as well as consolidated numbers? You can tell about EBITDA as well?

Naveen Philip: EBITDA would be, in standalone, we are around 3.4%. In terms of acquisition and consolidated, we would still be around probably about 3.25-3.3. But we are hoping that this would go up by about 0.1%. We had earlier given a guidance of 4%, but we are not able to achieve that. We would probably be ending up FY '26 with about 3.5% in terms of EBITDA numbers, so 3.5%. In terms of overall profitability for Q4, we intend to be profitable in Q4, overall, and have FY '26 at a positive note, including the IndAS effect, the cess impact and all that.

Preet Pitani: So we are expecting FY '26 overall EBITDA margin to be 3.5% and FY '27 to be 5%. And Q4 and FY '27 both would be PAT positive for the company as well?

Naveen Philip: Yes.

Preet Pitani: Thank you. I will join back in the queue. Thank you, sir.

Moderator: Thank you, sir. The next question is from the line of Gautham Madhvan from Fedex Securities Private Limited. Please go ahead.

Gautham Madhvan: Hi. Thank you for the opportunity. Depreciation, the increase of Rs. 3 crores, if I heard you right, is that because of the new acquisition?

Abraham Mammen: Yes.

- Gautham Madhvan:** Q3?
- Abraham Mammen:** This is because of the acquisition in terms of the depreciation for the Telangana that we have done. The depreciation cost has gone up by close to around Rs. 4 crores. In terms of the Globe also, we have an additional depreciation of around Rs. 40-Rs. 50 lakhs for the quarter.
- Gautham Madhvan:** Got it. And when we think of depreciation for FY '27, this would be the number that we kind of run with?
- Abraham Mammen:** This is the number in terms of the additional acquisition that we have done. The balance remains the same.
- Gautham Madhvan:** Got it. And also just on finance cost, if we can understand the increase in finance cost from Q2 to Q3, all inventories have sort of come down. What is sort of giving that Rs. 2 odd crore increase in finance cost?
- Abraham Mammen:** The inventory levels came down towards the end of the quarter. The exit that we have has come down, our stock levels have come to 2,300. But on average for the quarter, we still had inventory. So that is the reason the interest expense that you see for the quarter is more or less flat. And of course, there is also the interest on term loans that we have taken during that period. But having said that, the impact of the interest cost benefits that we will start to see it in Q4 of 2026 and onwards.
- Gautham Madhvan:** Got it. And sorry, when you were talking about the debt numbers, there was a little bit of disturbance. If you can just touch upon the debt numbers, what was the term loan that you mentioned? What was the balance debt?
- Abraham Mammen:** So the numbers that we are talking is close to around Rs. 550 crores in terms of the debt, short and long. And the term loan that we have taken is close to around Rs. 80 crores that we have. So the short-term funding in terms of inventory will be Rs. 550 crores. And the term loans that we have will be close to around Rs. 80 crores.
- Gautham Madhvan:** Got it. Just last question.
- Naveen Philip:** Gautham, i am just going to add that Rs. 550 crores was our FY '25 March numbers. We will remain at the same number for working capital in FY '26 March, though the topline has gone up by about 20%.
- Gautham Madhvan:** Absolutely. Got it. Just appreciate the guidance on service, Naveen, if you can just get a little more of an understanding of why would volumes degrow so much? And I understand your point on the sales and even what you mentioned at the presentation. Our understanding, at least from the previous calls, was that as sales increase, there is obviously a backlog.
- Moderator:** Mr. Gautam, sorry to interrupt. Your voice is breaking.

- Naveen Philip:** Gautam, your voice broke. Couldn't hear you. Sorry.
- Gautham Madhvan:** Sorry. Is this better?
- Moderator:** Yes, sir. Please go ahead.
- Gautham Madhvan:** Sorry. So I was just saying, Naveen, that we appreciate the guidance that you mentioned on service and some of the reasons for the degrowth in service. It will be really helpful to understand why would we see a volume degrowth which is so sharp and understand sales have been soft for the last couple of years and there might be some tailwind. But theoretically, there should still be some marginal growth in service volumes at least, right irrespective of the market environment maybe in the past couple of years?
- Naveen Philip:** Yes. So there are two aspects to it. One is in terms of the volume degrowth. Earlier, we used to do these campaigns with the service thing in terms of getting campaign numbers, monsoon campaigns, and various other winter campaigns, whatever. We used to drive campaigns to summer campaigns, to have AC checkup, to have Wi-Fi checkup, etc. Over this year, we have said that wherever the job card numbers are lower than about Rs. 500 or Rs. 1,000 in terms of job card billing, that didn't make sense occupying our manpower into that. So we actually reduced these campaigns. So that is one of the reasons why you see the volume dip, whereas the ASP going up by a much larger number.
- Gautham Madhvan:** Got you. And just Naveen, so going forward, so then should we sort of assume that this right sizing of the mix in terms of service is done and now what we will see will be growth from next quarter onwards?
- Naveen Philip:** Yes. That is why we are saying that we will have at least about 7%-8% growth in terms of service, both in terms of the organic growth and whatever the acquisition that we have done. Both put together, we should see about 8%. The ASP growth will still continue to be about 8%-10%.
- Gautham Madhvan:** Got it. That is all from my end. Thank you.
- Moderator:** Thank you, sir. The next question is from the line of Shirish Pardeshi from Motilal Oswal. Please go ahead.
- Shirish Pardeshi:** And Naveen, Raj, good afternoon. Thank you for the opportunity. Yes, just quick question. Because of this acquisition, what kind of volume buildup will happen in FY '27? Just ballpark?
- Naveen Philip:** So if you look at the Maruti acquisition in Telangana, we should be averaging about 380- 400 numbers right now. Though we took over in October, our first billing happened only by November end in terms of retail. So December and Jan, we would have done an average of about 380- 400 numbers. We expect this number to be around 500 for the whole year, FY '27. So about

Rs. 6,000 numbers will come in from there. Bangalore, which we started off last year, beginning April FY '26, we will see an average of about 200- 250 numbers from Bangalore happening, which was in the region of about 50-60 whole of last year. So these two put together, we should see close to about 750 numbers being added in per month, which is about Rs. 9,000 numbers for the annualized basis. In terms of, so this is only for Maruti, Jaguar Land Rover will be kicking off in Nagpur this month. So we will see about 5-7 numbers being added for the first 5-6 months, and then going on to about 10 numbers from second half onward. Similarly, Audi, we should see about 5-6 numbers in terms of the first 3-4 months, and then going to about 10-12 numbers in terms of the Audi numbers. But these would be, in terms of turnover, would be far higher, average ticket size being Rs 55 lakhs plus.

Shirish Pardeshi: That is helpful. My second question, in terms of discounting, if discounting is at one level in October, November, December, is that level of discounting has come down in Jan, Feb, or do you think it has remained steady, or it has gone up?

Naveen Philip: No, it has come down in Jan-Feb. So I think one of the points that both Raj and Abraham mentioned is, if you look at our exit numbers in terms of inventory in December '24, I think we had carried about 3,600 numbers in terms of Maruti stock unit. And '25, December, we were at around 2,300 numbers.

Raj Narayan: Including Telangana.

Naveen Philip: Including Telangana, but if you keep aside Telangana, we were at around 1,400.

Raj Narayan: Out of which, we are currently having only 700.

Naveen Philip: Yes. So usually what happens is the discounting that continues into Jan, Feb, March, is because of the inventory that you carry in December. We are not carrying that inventory in December '25. So the discounting levels for this quarter have come down, and for future quarters, April, May, June also.

Shirish Pardeshi: That is really helpful. This last question, you mentioned that there is a supply shortage in Jan-Feb. So can you give a little more color, which model or which segment, or what is the level of inquiries and order booking which you are having at hand now?

Naveen Philip: If you look at the lowest category like S-presso, our bookings in hand is about 150-200 bookings in hand just in Kerala. If you take Telangana, Bangalore, and Chennai put together, we will be closer to about 250-300 bookings. We would probably end up getting probably about 50 cars of S-presso. That is at the lower end. So if you take segment-wise, Tour S model, Swift, and each of these segments, we are at a much lower number in terms of wholesales than our current demand is. There are some vehicles which are slow-moving, which is it. So overall, which is why the inventory levels, new car inventory levels in Maruti, if you look at the 3 months, that is

Jan, Feb, March quarter, and look at December end numbers in terms of stock or Jan, Feb opening stock, we would be probably at around 21-22 days of inventory.

Shirish Pardeshi: So the reason why I was asking, Naveen, see this GST cut has really benefited the automotive sector a big way. But do you think this normalization of demand will happen by Quarter 1 or you think there will be some backlog will still continue in Quarter 2 also next year?

Naveen Philip: I think for the whole year, it will continue. The reason is not just because of the automotive cut of 10%. So there is an increase because your road tax is on top of these numbers, etc. So the savings are much higher. That is one aspect of it. But more importantly, if you look at for a common, if you look at people buying the S-presso, the Alto, the WagonR in terms of EMI, and the savings they are getting in other aspects, so we were just looking at, we did a study with one of the banking, in terms of just medical supply of an average household, the average savings in terms of GST savings is coming closer to about Rs.1,000-1,200 . So all this is adding to discretionary income of the common man . So I don't think that the demand would just be for Q1 and Q2. I think it will be a sustained demand for these. And coming back on, I think 7-8 quarters of absolutely no growth in these segments.

Shirish Pardeshi: So technically, you are saying that if the OEM ramp up their production, there is a high likely possibility that next year we will exceed the number what we are producing now?

Naveen Philip: Yes.

Shirish Pardeshi: Alright. Thank you and all the best.

Moderator: Thank you, sir. The next question is from the line of Vaibhav Bhayani, a Retail Investor. Please go ahead.

Vaibhav Bhayani: Sir, my question is related to gross profit margin. It has come down to 12.7%. And I was seeing your past results. It has always been 15%, 14.5%. Can we expect it to move it further like again from 12.7% to 14%-15% in Q4, Q1 of next year?

Abraham Mammen: Vaibhav, we probably spoke this earlier. The primary reasons for this gross margin percentage actually dropping is because of the shift that has happened post-GST towards the smaller vehicles. The margins that come from the smaller vehicles are lower than what you get on the higher vehicles, the Nexa. Second is there has been a growth in the commercial vehicle space. The commercial vehicle space has got a 52% growth. The average gross margin in the total mix of commercial vehicle and the Ather is lower when compared to the Maruti business that we have, which could be close to around 15%-16%. That has contributed to it. Thirdly, the services pie has also dropped in the total mix that we have and this is expected to go up. So having said that, we are expecting things to get better. Indicatively, yes, we should get in excess of 13% going forward and then get back to the normal levels that we had at the IPO levels at 14%-15%, probably in Q1, Q2.

- Vaibhav Bhayani:** So in Q4, we can expect around 13%-13.5%?
- Abraham Mammen:** Yes. So because we would then start seeing the benefits coming in of the Jaguar investment, the JLR that Nagpur will start kicking in, the average gross margin values are much higher. Audi should start giving us more additional numbers coming in there. So in the total pie, that would actually add up. And the benefits of the sales that we are doing currently will also add to the service volumes that we are having. So it is a combination of a number of things actually tying up to get back to those normal levels.
- Vaibhav Bhayani:** I think that is the issue, right? Because I think employee costs and other expenses, you guys have maintained it very well. But I think the issue here is the GP margin, it has gone down?
- Abraham Mammen:** There is definitely a scope to get that better. And the moment we get our gross margins better by 1% or 2%, you would actually start seeing that into your bottomline on your EBITDA and your PAT. And as we spoke earlier, inventory levels, reducing has an upside for us because your discounts will come down. Discounts coming down means better gross margin for you. Then your inventory being lower means lower interest costs for us. So all of that would actually tie back to give us a better percentage at a bottomline.
- Vaibhav Bhayani:** Right. Yes, I think you guys should work towards improving your GP margin. I think that is the key thing.
- Abraham Mammen:** Sure.
- Vaibhav Bhayani:** Thank you.
- Moderator:** Thank you, sir. The next question is from the line of Preet Pitani from InCred AMC. Please go ahead.
- Preet Pitani:** Thank you for giving me opportunity once again. Sir, my last question would be on the line of you mentioned that the service growth would be around 15%-16% for us. I just want to know two things more. One, are we planning any other acquisition going forward apart from the acquisition which we have done? And second, on the spare parts which we have started e-commerce platform, if you could give some brief about how it has started, how it is going right now and how are the margins different from what we get from the earlier one?
- Naveen Philip:** As we said in terms of guidance, I think in terms of acquisitions, we have done most of the acquisitions that we were targeting in terms of the states that we wanted to expand to. We will be going slow on acquisitions unless some really great opportunity comes up. We will be consolidating our business. In terms of service, what we said is that we will have about 8% in terms of volume growth and about 8% in terms of ASP. So that is the guidance that we have given for the service growth. In terms of ZPAREX, the e-commerce platform, we are just testing

out the platform itself. We have taken the help of Accenture in terms of setting it up. We have not yet started business. We would probably kick off business in Q1 of FY '27.

Preet Pitani: Got it. And what kind of growth do we expect in the sales of new vehicles and also in sales of used vehicles on base of FY '26?

Naveen Philip: On FY '27?

Preet Pitani: Yes. On the base of FY '26, what kind of growth we expect in FY '27?

Naveen Philip: So overall, as I said, just from the acquisition that we have done, we should be close to about 9,000 odd vehicles in terms of growth. This year, we would close at around 45,000 vehicles. So that would be a 20% growth in terms of just the acquisitions turning up. We would see a nominal growth of about at least 7%-8% in terms of what our existing stores are. So we are looking at close to about 11,000-12,000 odd vehicles being added from the base of 45,000. So closer to about 20% growth is what we are targeting.

Preet Pitani: We are targeting 45,000 vehicles for FY '26. And then 20% growth, 9,000 vehicles from acquisition plus 7%-8% growth for the base business, right?

Naveen Philip: Yes.

Preet Pitani: Thank you, sir. That is it.

Moderator: Thank you, sir. The next question is from the line of Nilesh Doshi from Prospero Tree AMC. Please go ahead.

Nilesh Doshi: Thanks for the opportunity, sir. Sir, just to inform that there is a GP margin difference on the model-wise, as well as the CV margin is less than the PV margin, particularly the GP is concerned. So is it similar for the after-sales service business also, the CV is less remunerative than the PV and the luxury is more remunerative than the other model. And in the particularly Maruti, there are the car of Rs. 5 lakhs to around Rs. 25-Rs. 30 lakhs. So it is the price-wise the EBITDA or GP margin in the after-sales also?

Naveen Philip: So in terms of commercial vehicle, yes, the GP margins are lower than the passenger vehicle in terms of service, similarly, for two-wheelers. But if you look at the Maruti or the JLR portfolio, in terms of EBITDA margins across the platform is quite similar. But if you look at Nexa vehicles vis-a-vis Arena vehicles in Maruti, there is a higher in terms of per job card value in terms of about 5%-7% because of the value of the vehicle. Gross margin percentages for most of the vehicles are similar, but absolute margins are different.

Nilesh Doshi: So the percentage wise, it is similar, but the absolute number may be different because of the ASP of a particular model. Is it right?

- Naveen Philip:** Yes.
- Nilesh Doshi:** Sir, the second question is particularly in Quarter 3, we have sold around 10,400 vehicles in the PV. Can we assume the number will increase in the Quarter 4 for the after-sales business, at least by 10,000, the after-sales business must grow because every OEM is offering a certain number of free services and generally, the buyer of the car will go to the particular service center, particularly the dealer from which they have bought. So can we assume that by 10,000 numbers, the service business must grow, particularly in the PV? It is mentioned in Quarter 3 that 10,000 number of vehicles were sold?
- Naveen Philip:** Yes. So in terms of free services, that number will show up. So the number in terms of total numbers, 10,000 numbers would come in for free services. But if you look at Quarter 3 of last year, we sold about 7,000 odd numbers. So the increase in terms of free services would be about 3,000 numbers.
- Nilesh Doshi:** So the net-net, it will not increase. You want to say that suppose 1,72,000 numbers were serviced in PV segment for the Quarter 3 and we assume that in Quarter 4, it must be reported at least 1,80,000 plus number. So is it not correct understanding?
- Raj Narayan:** No. That 1,80,000 will happen. But what Naveen was talking about is compared to Q4 of last year. Because last year also, we would have sold about closer to 6,800-7,000 cars. The incremental volume compared to last year Q4 will be only 3,000.
- Naveen Philip:** That is on terms of free services, since you pointed out in terms of free services of 10,000 cars. But overall numbers, yes, what you have said is correct.
- Nilesh Doshi:** And sir, we generally track the, because we can't ask the dealer to what number of cars they have sold. But we generally track the Vahan portal where every OEM is registered and the number of cars sold, retail sales are registered. So the Vahan portal shows that the December quarter, Maruti has sold 43%. There is a growth of 43%. Can anytime we compare ourselves with the OEM sales, are we performing better in terms of the OEM sales growth or in line with the OEM sales growth? What is our standing as of today? Because particularly Q3, Maruti has reported 43% more vehicles sold in Q3 compared to Q2. So what is our status, sir?
- Naveen Philip:** So we have also grown at 46%. So in terms of whatever has been the Maruti growth, we have also grown in the same level, say, plus 1% or 2%.
- Nilesh Doshi:** That is great. Thank you. That is all from my side. All the best, sir.
- Naveen Philip:** Thank you.
- Moderator:** Thank you, sir. The next question is from the line of Rohan Dedhia, an Individual Investor. Please go ahead.

- Rohan Dedhia:** Hi, sir. Thank you for this opportunity. I had two questions. The first question was, in the last call, we had said that our interest cost would come down by half. But that did not happen in this quarter. So sir, could you explain like where our guidance went a little off?
- Abraham Mammen:** So the reason the interest cost did not come down is primarily two reasons here. One is the GST. The GST announcement came around the 15th of August. Then there was a slowdown in terms of the sale. By the time the pickup actually happened, we had already been sitting on those stocks. And then there were fresh stocks that Maruti had actually supplied to us, which added up to us, because they were also piling up the stocks. And the benefit of that did not flow through. And the sale happened in October, November, December, and our stock levels have reduced in the exit. So the average stock that we have been holding during the month has been on the higher side, while the month-end numbers have reduced significantly. Secondly, in your interest cost that you actually see, there is also a part of the term loans that we have taken. There is an interest cost associated to that, that is getting paid. So those have contributed to those costs. But having said that, inventory reduction will reduce my interest cost, but the term loan part of it will continue to be there in the books. But there will be a significant reduction in that.
- Raj Narayan:** So we were holding an average of, say, Q2 mid and end of Q2, we were holding an inventory of about 80, or some days on 90 days also. That is what has come down to 24 days. So there is a significant reduction in interest cost.
- Rohan Dedhia:** Got it, sir. Thank you. And sir, my last question is, sir, there was an announcement from the company in December '25 that one of the Directors from Banyan Tree had resigned. So could you share some context around this?
- Naveen Philip:** So Banyan Tree is a private equity investor. So he was a Nominee Director from Banyan Tree. So, Banyan Tree has been on our board from 2018 onwards. So when we did the IPO in 2024, at that point of time, they wanted to exit the board, but we wanted their guidance over the next few years. So they said they will remain on board. They have a lot of investments that are going into an IPO stage. So Rakesh excused himself because he said the last, I think, in terms of board meetings, he missed out two board meetings. He said this year would be tough for him to attend board meetings. So he stepped off the board. But we are in constant touch in terms of whatever guidance that they want to give us. They still continue to hold 10% of the company.
- Rohan Dedhia:** Got it, sir. Thank you so much.
- Moderator:** Thank you, sir. The next question is from the line of Jerald James, an Individual Investor. Please go ahead.
- Jerald James:** Hi, sir. Thanks for the opportunity. My question is this. Currently, PVSL is an ICE-heavy business, since they rely on the service of internal combustion engine mainly for revenue generation, right? So if the market is moving to electric vehicles, how PVSL is planning to

manage the transition? Is there any roadmap for the transition or any spend on employee upskilling for servicing electric vehicles like e Vitara?

Naveen Philip: So I will take the second question first. In terms of training for all our people, in terms of the e Vitara service, that is already being done. Even in Jaguar Land Rover, when they launched the I-PACE, which is an electric vehicle that was also done in terms of the entire Jaguar Land Rover service team. So that training continuously goes on. In terms of preparedness of roadmap, if you look and we sell Ather vehicles, which is fully EVs. And we are servicing close to about 4,000 vehicles a month in terms of Ather EVs. So that, in terms of experience, that is being done. In terms of the roadmap, if you look at it, the EV penetration in four-wheelers, even today, is quite low. Only the southern states and Maharashtra have a much higher EV penetration of closer to about 8%-10%. But if you look at overall India, the penetration is still below 5%. And the growth, the guideline that is given by the Government is about 30% by 2030. So the penetration in terms of vehicles, that is new vehicle sales. But if you look at the car parc, it will still be skewed towards 80%-85% or closer to 90% in terms of ICE vehicles. ICE, which includes hybrid also.

Raj Narayan: And just to add on a point, in terms of our readiness, all our service centers are currently ready with the charging infrastructure. And I think barring one showroom, all our Nexa showrooms are also ready with the charging infrastructure.

Jerald James: Got it. Thanks.

Moderator: Thank you, sir. As there are no further questions from the participants, I now hand the conference over to Mr. Naveen Philip for closing comments. Thank you and over to you, sir.

Naveen Philip: Thank you, everybody for participating in our earnings call. Looking forward to Q4 and meeting up with you all. Thank you.

Moderator: Thank you, sir. On behalf of Popular Vehicles and Services Limited, that concludes this conference call. Thank you for joining us and you may now disconnect your lines.