



Approved by



VAHAN
NR e-Services



Business Proposal For Co-Assembler



Introduction

Who

e-Ashwa Automotive is one of the leading manufacturers of environment friendly Battery Operated Vehicles. The company specializes in 3 wheelers, namely e-Rickshaws, e-Loader, e-Auto & 2 wheelers including e-Scooter and e-motorbikes

Currently, e-Ashwa has 19 co-Assembling units spread in 11 States with a strong dealer network of 65 dealers spread across 13 States. e-Ashwa has its headquarter, main factory and assembly unit in Ghaziabad, Uttar Pradesh

Where



What

e-Ashwa has a strong portfolio of 36 models including 7 models of 3 Wheelers and 29 models of 2 Wheelers. As of now e-Ashwa is offering all 7 models of 3 Wheelers and 4 models of 2 Wheelers under its registered trademark @e-Ashwa Automotive

Additionally, to facilitate advantage of having multi model for its dealers, e-Ashwa has made strategic partnership with 6 reputed OEM's namely – Fidato, Joy e-Bike, TNR, Yakuza, Li-Ions Elektrik and SES wherein e-Ashwa offers their products in selected regions

What

Presence



 Corporate Office
  Manufacturing Plant

States	Co-Assembler	Dealership
Andhra Pradesh	1	1
Bihar	3	16
Delhi		2
Haryana	1	6
Jharkhand	1	3
Madhya Pradesh	1	4
Goa	1	1
Maharashtra		1
Punjab		1
Rajasthan	1	2
Telangana		2
Uttar Pradesh	6	25
Uttarakhand	2	1
Orrisa	1	
West Bengal	1	
Grand Total	19	65

Presence I

Corporate Office:

410-411, 4th Floor, Devika Tower,
Chander Nagar, Ghaziabad, Uttar
Pradesh - 201011

Manufacturing Units:

- Sanjay Nagar
- Raj Nagar Extn. Industrial Area



Co-Assembling Units

S. No.	State	City	S. No.	State	City	S. No.	State	City	S. No.	State	City
1	Uttar Pradesh	Babugarh	6	Uttar Pradesh	Kanpur	11	Uttarakhand	Rudrapur	16	Madhya Pradesh	Indore
2	Uttar Pradesh	Lucknow	7	Bihar	Nawada	12	Uttarakhand	Haridwar	17	West Bengal	Kolkata
3	Uttar Pradesh	Haidergarh	8	Bihar	Bakhtiyarpur	13	Orissa	Sanbhalpur	18	Goa	Panji
4	Uttar Pradesh	Firozabad	9	Bihar	Purnea	14	Andhra Pradesh	Kurnool	19	Jharkhand	Ranchi
5	Uttar Pradesh	Azamgarh	10	Haryana	Faridabad	15	Rajasthan	Behror			



Presence II

Dealership Network:

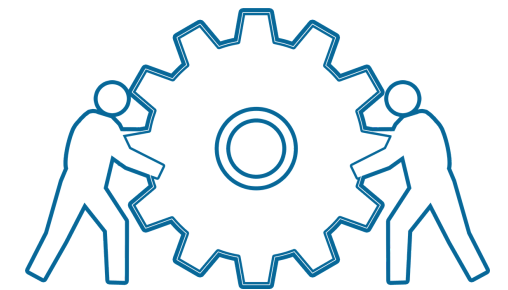
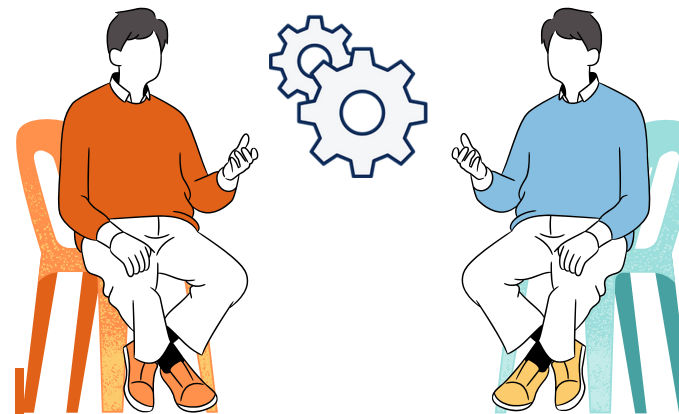
Currently, we have 65 Dealers spread across Delhi, Haryana, UP, MP, Bihar and other neighbouring states. Please find below our list of dealers for your ready reference:

States	Dealership	States	Dealership
Addhra Pradesh	1	Maharashtra	1
Bihar	16	Punjab	1
Delhi	2	Rajajasthan	2
Haryana	6	Telangana	2
Jharkhand	3	Uttar Pradesh	25
Madhya Pradesh	4	Uttrakhand	1
Goa	1		
Grand Total		65	



Proposal for Co-Assembler

Unique Proposition



PERIPHERY

One at every 200 Kms periphery

DISTRICTS

Covering 6-10 districts

EXCLUSIVE RIGHTS

Exclusive right of making and selling electric vehicles in designated periphery in e-Ashwa brand and multi model under strategic tie-ups with other reputed models

DISTRIBUTOR

A distributor is appointed for each of the districts which are part of territory of co-Assembler

DEALERSHIP

Each of the distributor would appoint dealers keeping minimum distance of 5 Kms between two dealers in urban area and 15 Kms in rural area.

Co-Assembler Business Plan



Who is a Co-Assembler

Co-Assembler is an investor who is interested in setting-up an assembly facility at a place identified at one of the cities / towns / states approved by e-Ashwa

Land requirement

An industrial / commercial land measuring to minimum of 400 Mts or more

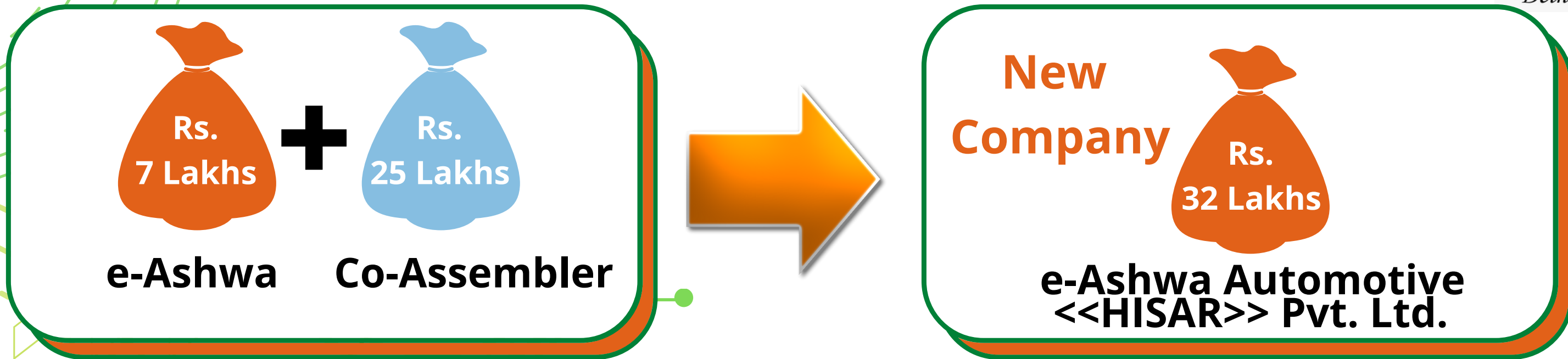
Investment & Contribution

Total investment required for setting up assembly unit is Rs. 32 Lakhs out of which 25 Lakhs will be invested solely by the investor and balance 7 Lakhs shall be invested by e-Ashwa Automotive Pvt. Ltd.

Additional contribution

Any further investment either in capital cost or in working capital will be done by both the shareholders in equal proportion

New Company Formation & Shareholding



SHARE HOLDING OF NEW COMPANY



*Reason of keeping one additional share with e-Ashwa is to make e-Ashwa as holding company so that turnover of subsidiary is clubbed with e-Ashwa and all the subsidiaries get the benefit of holding company credentials.

Co-Assembler Investment Details



Co-Assembler investment: Rs. 25 Lakhs Shareholding: Rs. 16 Lakhs (minus 1 share)

Co-Assembler pays premium of Rs. 9 Lakhs (Difference between Rs. 25 Lakhs & Rs. 16 Lakhs). The premium is paid for following offerings made by e-Ashwa Automotive Pvt. Ltd.:

1. Use of e-Ashwa Brand name perpetually since the name of the new company shall be e-Ashwa Automotive <<HISAR>> Pvt. Ltd. This is mandatory to use certifications
2. All vehicle related approvals for use including approvals of ICAT, WMI, State Transport, State Vaahan, all related ISOs
3. Our Technical know how we have amassed during last three and half years
4. Ability of operational break-even from day 1 of unit operationally active. This implies that unit will have 3-4 outlets by the time it starts operations so that all operational expenditures are incurred out of the margins earned from the sale to these outlets
5. Confirmed 18 months pay back period in writing in the contract. This implies that you shall be earning the invested amount by or before 18 months (barring force majeure such as Covid) of normal operations as your 50% margins from co-assembling unit

Scope & Other Details

- Land and civil work is in the scope of Co-Assembler
- Plant & machinery and inventory cost is included in the total investment amount
- Rent shall be paid by newly formed Company
- In case Co-Assembly unit is set up on the owned space of Co-Assembler, newly formed company will pay agreed rent to the Investor
- This way investment done by co- Assembler in land and building / factory shed will get separate return in form of rental income

What You Can Expect?

It takes about 4 months' time to get the momentum and to get the production and sale started and picked up

Earning Capability of Co-Assembling Unit

- Rs. 10,000 for each category of Three Wheeler
- Rs. 3,000 for each category of Two Wheeler in Lithium Ion Battery
- Rs. 2,200 for each category of Two Wheeler in Lead Acid Battery
- Rs. 1,500 for each category of e-Cycle

With the expected sale of 3 three wheelers, 7 two Wheeler Scooty and 2 two Wheeler Cycle from 4th month onwards in each outlet, and with about 10 outlets (dealers appointed) within six months of start of operations, an assembly unit can expect a revenue of about Rs. 5,00,000 each month as per calculation

Type of Vehicle	No of Dealers	No of Units	Margin per Unit	Total Margin
3Wheeler	10	30	10,000	3,00,000
Scooty Lithium	10	50	3,000	1,50,000
Scooty Lead Acid	10	20	2,200	44,000
Cycle	10	20	1,500	30,000
			Total	5,24,000

Monthly Expenses

Unit has a fixed expense of Rs. 89,000 per month as per calculation below:

Type of Expense	Qty	Rate	Total Margin
Technical Manpower - Fitters	2	10,000	20,000
Sales & Marketing Manpower – Local Marketing	2	10,000	20,000
Office Boy cum Field Staff	1	9,000	9,000
Rental (varies between 12,000 – 30,000)	1	25,000	25,000
Electricity and office expenses	1	10,000	10,000
Other contingent expenses	1	5,000	5,000
		Total	89,000

Margins

- Revenue (Rs. 5,24,000) - Expenses (Rs. 89,000) = Rs. 4,35,000
- Net Margin of the unit seventh month onwards Rs. 4,35,000 as per calculation above
- 50% of the margin in the ratio of shareholding gives a margin of Rs. 2,17,500 to the co-assembler
- Next 12 months margin of the unit becomes Rs. 26,10,000. This is how the payback period of 18 Months (6 months gestation period plus 12 months operational period) is calculated
- The preferable kind of locations for the assembly unit is an outskirts industrial area which has proximity to highway or any main city

Investment Break-up

Investment required for the co-Assembly unit is Rs. 32 Lakhs as below:

S. No.	Investment Element	Amount (Rs.)
1	Fully equipped Assembling unit	2,00,000
2	CKD material for 30 units of three wheelers @ Rs. 52,000 each	15,60,000
3	20 units of Two wheeler @ Rs. 55,000 each	11,00,000
4	Branding Material – for 10 outlets	1,00,000
5	Company formation and incidental expenses	40,000
6	Franchise Fee (non-refundable)	2,00,000
Total		32,00,000



Out of total investment of Rs. 32 Lakhs, Co-Assembler will solely invest Rs. 16 Lakhs and pay the Franchise Fee of Rs. 2 Lakhs. Balance Rs. 14 Lakhs and any money thereafter will be invested by both the partners in equal proportion

Roles & Responsibilities



Activities	Responsibility
Completion of civil work / shed as per requirement	Co-Assembler
Setting up Plant and Machinery after receiving funds	e-Ashwa
Providing inventory on timely manner	e-Ashwa
Day to day operations	Co-Assembler
Sales and Marketing	Joint
Dealing with Dealers and Distributors	Co-Assembler
Arranging of local Financer	Co-Assembler
Arranging of centralised Financer	e-Ashwa
Issuance of LOI and all forms for vehicle Registration	e-Ashwa
All necessary approvals related to Premises	Co-Assembler
All necessary approvals related to vehicles	e-Ashwa
Arrangement of Debit / Credit Card POS machines	e-Ashwa



Product Range I

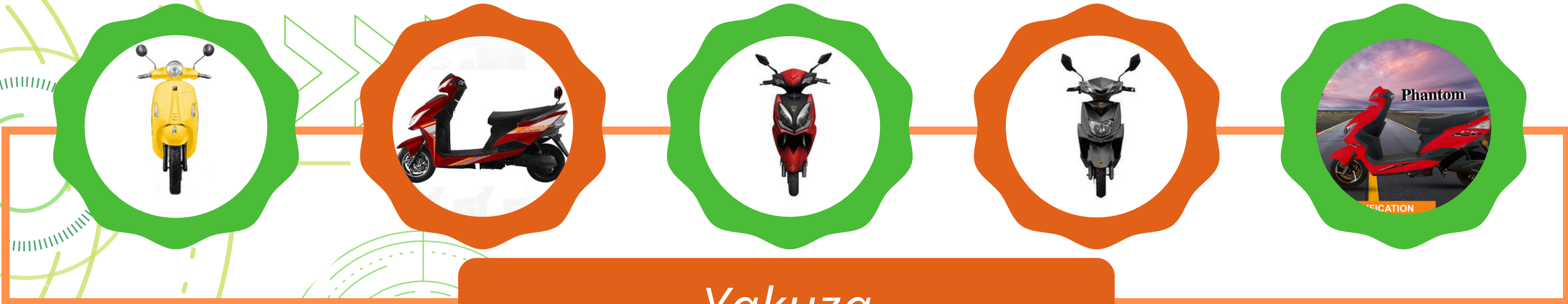


e-Ashwa

Product Range II



Fidato



Yakuza

Product Range III



SES

TNR



Joy E-bike

Thank You!

