BUSINESS PLAN · INDIA

EV Sales and Service Dealership

Making EV ownership easy, reliable and well-supported - sales, service and charging

AUTOMOTIVE

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August 2026

This document is confidential and prepared for planning purposes. All financial figures are illustrative model assumptions for an Indian MSME context and must be validated against live quotes, local rates and professional advice before any investment or borrowing decision.

1. Executive Summary

This plan sets out an **EV Sales & Service Dealership** in India — an authorised electric-vehicle dealership (electric two-wheelers, three-wheelers and/or cars) on a Sales-Service-Spares model, plus charging support, battery/warranty handling, finance & insurance, serving India's fast-growing EV adoption. It earns new-EV margins plus service, spares/battery, finance/insurance & charging-support revenue, monetising the EV transition & government incentives (FAME/state EV policies) — an OEM-, adoption- & service-driven automotive-retail business at the leading edge of electrification.

India's EV market is growing rapidly — electric 2W/3W lead, with cars & commercial EVs rising — supported by FAME-II, state EV policies & purchase subsidies, falling battery costs & rising fuel prices/awareness. An EV dealership captures this shift, earning new-EV margins (thin, OEM-controlled, but subsidy-supported) plus a growing Service/Spares annuity (different skills: battery, power electronics, software), finance/insurance & charging support. It is capital-intensive (showroom/workshop, inventory) & OEM-dependent, with EV-specific service capability & customer education as differentiators; success rests on volume, service capability, ancillary attach & the EV growth curve.

This is a capital-intensive automotive business — funded by promoter equity plus bank finance (term loan for showroom/workshop + inventory floor-plan + CC; FAME/state-subsidy pass-through). This plan models an EV dealership requiring **₹1.5 crore** (₹52 lakh promoter + ₹98 lakh bank finance incl. floor-plan), targeting **₹14 crore** revenue in Year 1 and **₹28 crore** by Year 3 as EV adoption ramps. *(EV dealership; OEM 3S + charging/battery, subsidy-supported, service-capability- & adoption-driven.)*

2. Business Description, Vision & Legal Structure

Concept: An authorised EV dealership - electric 2W/3W/car sales, EV-specialised service & spares, battery/warranty, charging support, finance & insurance - at the leading edge of electrification.

Vision: To lead EV adoption in its region with great sales & service.

Mission: Make EV ownership easy, reliable & well-supported - sales, service & charging.

Legal structure options

- **Private Limited** — recommended (for OEM dealership, floor-plan finance & scale).
- **LLP** — possible, but OEM norms & finance favour a company.

> **Regulatory anchor:** an EV dealership is an OEM-authorised auto business — OEM dealership agreement, Shops & Establishments, GST, RTO/registration & EV dealer norms, FAME-II/state EV-subsidy pass-through & documentation, motor-insurance & finance (IRDAI/NBFC) tie-ups, battery/e-waste & hazardous handling, charging/electrical safety (workshop), fire & consumer-protection/warranty (esp. battery warranty). Volume, EV-service capability, ancillary attach, subsidy handling & OEM relationship determine success; subsidy-supported & adoption-driven.

3. Promoter & Ownership

Led by a promoter with automotive-retail, EV or business experience & OEM relationship. The team includes sales, EV-specialised service (battery/power-electronics/software-trained technicians), spares, finance/insurance & charging support, plus a manager. Volume, EV-service capability, customer education & ancillary attach are the differentiators. Ownership & stakes are editable inputs.

4. Market Analysis — India

India's EV adoption is accelerating - electric 2W/3W leading, cars & commercial EVs growing - supported by FAME-II, state EV policies & subsidies, falling battery costs, rising fuel prices & awareness, & net-zero goals. EV dealerships are the retail & service face of this transition. The market rewards volume, EV-service capability, customer education/trust, ancillary attach & charging support; it is OEM-, subsidy- & adoption-curve-sensitive & early-stage-competitive, met with service capability, education, ancillary & the growth curve.

Demand drivers

- **Accelerating EV adoption** (2W/3W/cars).
- **FAME/state subsidies & policy.**
- **Falling battery cost & fuel savings.**
- **Awareness, net-zero & TCO.**
- **Fleet & commercial** EV demand.

Market sizing (illustrative framing)

Layer	Definition	Indicative scale
TAM	EV sales & service in India	Large & fast-growing
SAM	Territory EV demand	Substantial & rising
SOM (Yr 1–3)	EV units & service	Scaling with adoption

Target segments

- Electric 2W/3W buyers (mass & commercial).
- EV car buyers (early adopters).
- Fleets & last-mile delivery.
- Service & finance customers.

5. Competition & Competitive Advantage

Landscape: other EV dealers (same/rival OEMs), ICE dealers adding EV, direct-to-consumer EV brands & multi-brand EV stores. The dealership competes on EV-service capability, customer education/trust, experience, ancillary & charging support.

The dealership's edge

- **EV-specialised service capability.**
- **Customer education & trust.**
- **Charging support & battery/warranty.**
- **OEM brand & subsidy handling.**
- **Ancillary (finance/insurance) attach.**

6. Products & Revenue Model

Stream	Model	Basis
New-EV sales (net of subsidy)	Thin margin + OEM incentives	Volume
Service & spares (EV-specific)	Growing annuity margin	Profit driver (rising)
Battery/warranty & AMC	Service/fee	Recurring/trust
Finance & insurance	Commission	High-margin attach
Charging support & accessories	Sale/fee	Ancillary

> New EVs are thin-margin (OEM-controlled, subsidy-supported) & a volume game; the Service/Spares annuity is smaller today than ICE (EVs need less routine service) but growing & battery/software-skill-differentiated; finance/insurance, battery/warranty & charging/accessories add margin. Volume, EV-service capability, ancillary attach & the adoption curve drive economics — the decisive EV-dealership levers.

7. Go-to-Market — Marketing & Sales

- **OEM & local marketing** + EV education (TCO, range, savings).
- **Test-rides & experience.**
- **Finance, subsidy & exchange** attach.
- **Fleet/commercial & last-mile.**
- **Service capability & trust.**

Sales approach

Educate & attract (EV benefits/TCO, test-rides, OEM/local) → convert with subsidy, finance & experience → attach finance/insurance/accessories/charging → retain via EV-specialised service & trust → grow fleet/commercial. Volume + growing service annuity + ancillary + subsidy handling build the business on the adoption curve.

8. Operations Plan

- **Facility:** showroom, EV-equipped workshop (battery/high-voltage safety, diagnostics, software), spares/battery store, charging, F&I desks; per OEM standards.
- **Process:** lead/education → sale (subsidy/finance/exchange) → delivery/registration → EV service & spares/battery → charging support → retention.
- **EV capability & safety:** trained technicians (battery/high-voltage/software), safety protocols, battery handling & e-waste.
- **Tech:** DMS/CRM, service & inventory, subsidy documentation, F&I systems.
- **Compliance:** OEM standards, RTO/EV norms, FAME/state subsidy, battery/e-waste & high-voltage safety, IRDAI/NBFC, warranty.

EV-dealership workflow

Stage	Activity	Metric

Educate	TCO/test-ride	Leads/conversion
Sell	Subsidy/finance	Units/attach
Deliver	Registration/subsidy	Delivery
Service	EV/battery service	Service/trust
Support	Charging/warranty	Retention

9. Regulatory, Licences & Compliance (India)

- **OEM & auto:** OEM dealership agreement; RTO/registration & EV dealer norms.
- **Subsidy & F&I:** FAME-II/state EV-subsidy pass-through & documentation; motor-insurance (IRDAI) & finance (NBFC/bank) tie-ups.
- **Safety & environment:** high-voltage/battery safety; battery/e-waste & hazardous handling; workshop electrical/charging safety; fire.
- **Business & tax:** Pvt Ltd; Shops & Establishments; GST; PAN/TAN; Udyam; warranty (esp. battery).

10. Organisation & Manpower Plan

Role	Yr 1	Yr 2	Yr 3
Promoter / GM & managers	2	3	4
Sales & F&I	8	13	20
EV service technicians (battery/HV/software)	8	14	22
Spares, charging & support	4	6	10
Admin, accounts & CRM	3	4	6
Total	**25**	**40**	**62**

11. Implementation Timeline & Milestones

Phase	Timeline	Milestone
Setup	Month 0–4	OEM agreement, showroom/EV-workshop, floor-plan, training, launch
Ramp	Month 4–9	Volume, EV service, subsidy/finance attach, education
Traction	Month 9–12	Service capability & ancillary; ₹14cr revenue
Grow	Year 2	Adoption ramp, fleet, service annuity, cost/WC
Scale	Year 3	₹28cr revenue; adoption & second outlet

12. Financial Plan (Illustrative)

All figures are illustrative model assumptions for an Indian context, shown so the promoter can replace them with live rates. They are not projections of guaranteed results. EV dealership; thin new-EV margins, growing service annuity, subsidy-

supported, adoption-driven.

12.1 Project cost & means of finance

Capital requirement	₹
Showroom & EV workshop (fit-out/equipment)	55,00,000
EV inventory (via floor-plan)	60,00,000
Spares/battery inventory & DMS/tech	15,00,000
Deposits, training, launch & pre-operative	12,00,000
Working-capital margin	8,00,000
Total project cost	**1,50,00,000**
Promoter contribution	52,00,000
Bank finance (term + floor-plan + CC)	98,00,000

12.2 Projected Profit & Loss (3 years)

Particulars	Year 1	Year 2	Year 3
New-EV sales (net of subsidy)	12,00,00,000	18,50,00,000	23,50,00,000
Service, spares & battery	1,30,00,000	2,60,00,000	3,50,00,000
F&I, charging & accessories	70,00,000	1,20,00,000	1,00,00,000
Total revenue	**14,00,00,000**	**22,30,00,000**	**28,00,00,000**
Cost of EVs & spares sold	12,25,00,000	19,30,00,000	24,10,00,000
Salaries & staff	85,00,000	1,25,00,000	1,65,00,000
Rent, utilities & overheads	55,00,000	72,00,000	88,00,000
Floor-plan/interest & marketing	45,00,000	62,00,000	75,00,000
Total expenses	**14,10,00,000**	**21,89,00,000**	**27,38,00,000**
Net profit (before tax)	**−10,00,000**	**41,00,000**	**62,00,000**
Net margin	Invest (ramp)	1.8%	2.2%

12.3 Unit economics & break-even

- **Thin new-EV, growing service:** new EVs are thin-margin (OEM/subsidy-controlled) volume; the Service/Spares annuity is smaller than ICE today (EVs need less routine service) but growing & battery/software-differentiated, plus F&I & charging.
- **Adoption curve & volume:** profitability tracks EV adoption & volume against fixed showroom/workshop & floor-plan interest; early ramp invests.
- **Break-even:** at a volume + service threshold covering fixed costs + floor-plan interest; Year 1 near/below break-even (ramp), profitable from Year 2 as adoption & service build.

12.4 Projected Cash Flow — Year 1 (quarterly, illustrative)

Particulars (₹ cr)	Q1	Q2	Q3	Q4
Opening balance	0.08	0.07	0.07	0.08
Collections	2.90	3.35	3.75	4.00
EV/spares cost, floor-plan & operating	2.91	3.35	3.74	3.98
Closing balance	**0.07**	**0.07**	**0.08**	**0.10**

> Retail collections are largely immediate (cash/finance), but subsidy reimbursements can lag (receivable) & EV inventory ties up floor-plan WC. Inventory turns, floor-plan interest, subsidy-receivable management, service annuity & the WC margin manage cash; early-adoption volume & subsidy timing are the key risks — met with education, fleet & OEM support.

12.5 Key Performance Indicators to Monitor

- **Sales:** EV units; conversion; OEM target; finance/subsidy penetration.
- **Service:** EV-service throughput & capability; battery/warranty; annuity growth.
- **Ancillary:** F&I attach; charging/accessories.
- **WC:** EV inventory turns; floor-plan interest; subsidy-receivable days.

13. Funding Requirement & Bankability

Total ask: **₹98 lakh bank finance** (term for showroom/EV-workshop + **floor-plan/inventory financing** + CC) against ₹52 lakh promoter contribution. Bankability rests on OEM tie-up, EV adoption/volume, growing service capability & ancillary; floor-plan financing is standard & EV is a policy-supported growth sector. Year 1 invests (ramp), scaling to ₹62 lakh profit by Year 3; EV growth curve, subsidy timing & service capability are the diligence areas — OEM & policy support de-risk.

13.1 Funding utilisation

Use of funds	₹	% of total
EV inventory (via floor-plan)	60,00,000	40%
Showroom & EV workshop (fit-out/equipment)	55,00,000	36.7%
Spares/battery inventory & DMS/tech	15,00,000	10%
Deposits, training, launch & pre-operative	12,00,000	8%
Working-capital margin	8,00,000	5.3%
Total	**1,50,00,000**	**100%**

14. Risk Analysis & Mitigation

Risk	Mitigation
EV-adoption pace / early volume	Education/TCO; fleet/commercial; OEM support; segments; runway
Subsidy timing/policy change	Subsidy documentation & tracking; OEM support; not over-rely on subsidy

Thin margins & floor-plan interest	Service annuity, F&I, charging; volume; turns & interest discipline
EV-service capability & battery safety	Trained technicians; safety protocols; OEM training; battery/e-waste
Technology change / battery warranty	OEM warranty; capability upgrade; customer trust

15. SWOT Analysis

Strengths EV-transition tailwind & policy support; OEM brand; growing service capability moat; F&I/charging; early-mover.	**Weaknesses** Thin new-EV margins; early-adoption/volume risk; subsidy-timing-dependent; WC/floor-plan-heavy; capability-building.
Opportunities EV adoption ramp; fleets/commercial; service annuity growth; charging/battery; second outlet.	**Threats** Adoption slower than hoped; subsidy/policy changes; competition & D2C EV brands; tech/battery change.

16. Recommended AiSevak Tools for This Business

This EV dealership would use AiSevak's Automotive vertical tools in delivery:

- **Dealership ops:** DMS/CRM, EV-service & battery/warranty, F&I/subsidy-documentation and inventory-turns tools.
- **Compliance:** OEM-agreement, RTO/EV-norms & FAME/state-subsidy, battery/e-waste & HV-safety, IRDAI/NBFC and GST tools (with Legal & Finance verticals).
- **Practice:** Business Plan, adoption/service-annuity-economics and Break-even tools to model the dealership.

17. Key Assumptions & Notes

- Authorised EV dealership; new-EV sales (thin, subsidy-supported) + growing EV Service/Spares annuity + battery/warranty + F&I + charging support.
- EV service is smaller than ICE today but growing & battery/software-differentiated; volume, service capability, ancillary & adoption curve decisive.
- Term + floor-plan + CC; OEM agreement, RTO/EV norms, FAME/state subsidy pass-through, battery/e-waste & HV safety, IRDAI/NBFC, warranty.
- Volume, service capability, ancillary attach & adoption drive economics; figures illustrative, exclude GST.