

ACMA
(Western Region)



**Press Reports on Automotive Industry
2022-23**

**Automotive Component Manufacturers Association of India
(Western Region)
Mumbai**



(Western Region)

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PRESS REPORTS ON AUTOMOTIVE INDUSTRY

Business Standard 30th August 2022

RECOVERY TRACKER

Workplace visits up 26%, vehicle registrations 2%

Fewer flights and air passengers in the latest week compared to the previous one

SACHIN P MAMPATTA &
KRISHNA KANT
Mumbai, 29 August

Multiple weekly economic activity indicators trended higher during the latest week.

Workplace visits were 25.9 per cent higher than the baseline value for early 2020, before the pandemic took hold, shows data from search engine Google. It uses anonymised location data to track how people are moving during the pandemic. Retail and recreation visits were lower than the previous week. Grocery and pharmacy visits grew (see chart 1).

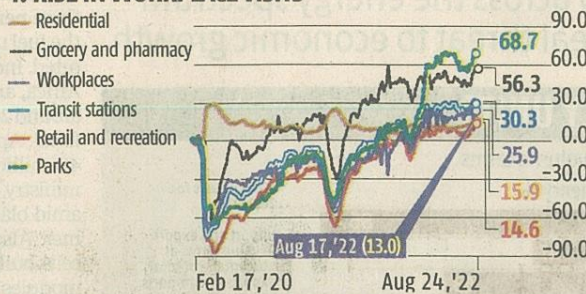
People registered 395,000 vehicles. This is 2.1 per cent higher than the 386,000 vehicles registered in the same period in 2019. The number also showed a week-on-week increase. There were 293,000 vehicles registered in the previous week (see chart 2).

The Indian Railways registered a 7.3 per cent increase in the quantity of goods carried. The amount of money it made from carrying these goods, called freight revenue, was up 16.1 per cent (see chart 3).

Electricity consumption in the country rose last week and the gap over 2019 levels widened due to higher generation. The power producers generated 4,517 million units (MU) of electricity per day on average in the latest week based on reporting day data. It was 4,314 MUs per day in the previous week. In comparison, power generation was 3,807 MUs per day during the corresponding week in 2019 (see chart 4).

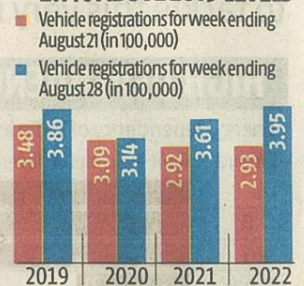
Major metros recorded a fall in traffic congestion. Monday 9 am traffic congestion in New Delhi was 36 per cent lower than 2019, compared to the 28 per cent gap seen in the previous week. Mumbai traffic congestion was down 32 per

1: RISE IN WORKPLACE VISITS



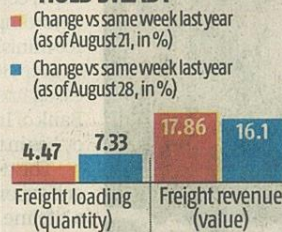
Note: Latest update is as of August 24, 2022, based on location data as processed by the company. The percentage change is compared to a baseline value for the same day of the week, calculated on a median basis during the 5-week period, Jan 3–Feb 6, 2020. The chart shows a seven-day rolling average of visits to each category. Residential data refers to change in time spent at home.
Source: Google LLC "Google COVID-19 Community Mobility Reports", Our World in Data

2: VEHICLE REGISTRATIONS 2.1% ABOVE 2019 LEVELS



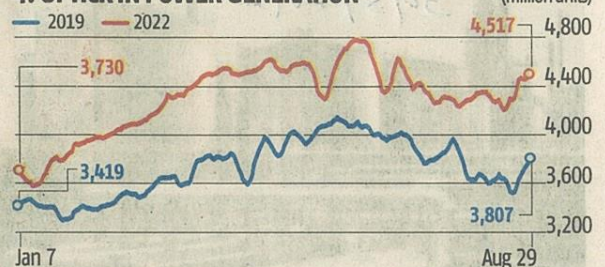
Note: Based on road transport offices (RTOs) for which Vahan data is available.
Source: Ministry of Road Transport and Highways

3: FREIGHT NUMBERS HOLD STEADY



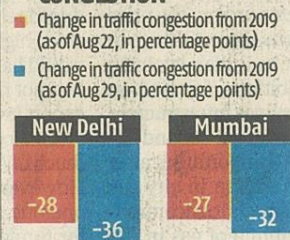
Note: For seven days ending Sunday.
Source: Indian Railways

4: UPTICK IN POWER GENERATION



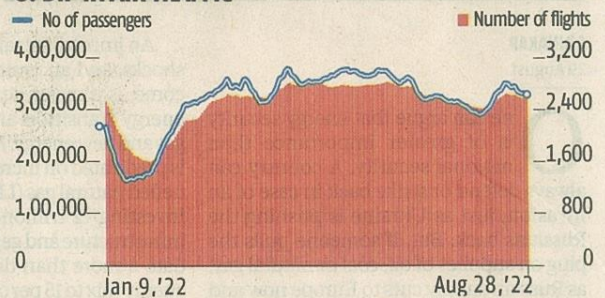
Note: Power generation based on reporting day data (million units, 7-day rolling average)
Source: National Load Despatch Centre

5: DROP IN TRAFFIC CONGESTION



Note: Refers to change in Monday morning (9 am) traffic congestion. Comparison is made to 2019 levels.
Source: TomTom International

6: DIP IN AIR TRAFFIC



Note: Shows 7-day rolling average numbers for domestic traffic based on departing flights and passengers. Averages have been used wherever archival data was unavailable.
Source: Ministry of Civil Aviation

cent compared to the previous week's 27 per cent gap (see chart 5). There were fewer flights and passengers in the latest week than before. The average number of daily flights dropped to 2,597 from 2,637 in the previous week. The average number of daily

passengers fell to 331,000 from 347,000 (see chart 6).

Business Standard tracks these indicators as a way of getting a weekly picture of the economy ahead of official macroeconomic data, which is often released with a lag. Analysts globally have been

tracking similar indicators. It presents a more up-to-date picture of how the economy is reacting to the effects of the pandemic. The Google data is released with a lag. The latest is as of August 24. Traffic data is as of Monday 9 am. All other data is as of Sunday, August 28.



'We should invite component makers to India before OEMs'

It has been 40 years since Suzuki, the Japanese carmaker, signed an agreement with the Indian government for a joint venture. The government exited Maruti Suzuki, the joint venture, in 2013. **R C BHARGAVA**, who as chairman of Maruti Suzuki, has led the company in its journey to transform India's automobile sector, talks to Surajeet Das Gupta about the lessons from that experience for today's manufacturing sector. Edited excerpts:

The story of Maruti Suzuki is well known. What lessons one can replicate as the country pushes manufacturing once again through 'Atmanirbhar Bharat'?

I think one key and basic thing is to understand what customers want. If you want to progress you must have a proper feel of the situation at the ground level — what consumers want and not what we think; or replicate what the West is doing. Our market is very different. We have a huge two-wheeler market who use it for personal commute, which other countries don't and they want to upgrade. So our consumers are different. Our decision on the product was based on a market survey, which gave us an insight into what their transport requirements were.

The country is grappling with building supply chains in manufacturing, like in mobile devices and electronics. You started to build it from the scratch. What was your experience?

When we started the vendor development program, we saw our vendors as partners, which had never existed in the country. The relationship was that suppliers would attempt to reduce costs, improve quality, reduce defects and control inventory better, while we would closely work with them in helping to achieve these objectives, and help them upgrade their technology and their processes.

The partnership model straddled the entire supply chain ecosystem — the steel supplier would also try and see how they could reduce costs, for instance. We also went for joint ventures with vendors taking minority stakes to show our involvement. This is why the country got a vibrant component industry and today exports to the world. And carmakers from the

world came into India after the supply chain was built. The lesson in this is that foreign investment will come far more readily if India has built the supply chain. And we should invite component makers to India before we invite OEMs (original equipment manufacturers).

Has frugal management helped the company, and why is it important for today's companies?

We have grown completely with internal resources after the initial investment by the two partners. Today, we have ₹41,000 crore of cash reserves, so the question is why do we and only a few other companies have (such cash reserves)? Frugal management and growth will be an essential requirement for Indian companies now — it leads to more investment, more money put in R&D, expansion and modernisation.

Is choosing the right partner important?

I think that is the key. While elaborating on the reasons why we thought Suzuki was the right match, I remember what was put on the file was that it is small but aspirational, more accessible and has a culture of frugality, and low-cost and high-quality products.

But did you merely replicate the Japanese model?

No, we realised that we could not cut and paste and use the same model. We had to modify it for India. For instance, one key area was building the trust and confidence of the workers. In Japan, because of the strong discipline and homogeneity of culture, respecting seniors is built in. In India, there was a huge gap between the new workers coming from villages and what the senior management [was] thinking.



R C BHARGAVA
Chairman,
Maruti Suzuki India

Business Line 25th August 2022

Manish Raj Singhanian appointed new FADA chief

OUR BUREAU

New Delhi, August 24

The Federation of Automobile Dealers Associations (FADA) on Wednesday appointed Manish Raj Singhanian as its 36th President for 2022-2024 period. The decision was taken at the 307th Governing Council Meeting at Raipur. Singhanian is the Managing Partner of Ralas Motors



based out of Raipur, and has dealership of M&M, FADA said in a statement. He replaces Vinkesh Gulati,

whose tenure ended on Tuesday. For over 12 years, Singhanian has been a key member of the FADA Governing Council.

Other office-bearers

The Council also elevated CS Vigneshwar, DMD - Anaamalais Toyota, (Dealer for Toyota, VECV and Ather) as the Vice-President; Sai Giridhar, MD, Saisha Motors (Dealer for Skoda, Volvo Cars) as Secretary. They also elected Amar Jatin Sheth of Group Shaman (Dealer of Honda Cars, Volkswagen, Triumph), as Treasurer.

Auto demand revs up ahead of festival season

With strong order books, companies working to minimise waiting period for vehicles

AROOSA AHMED
Mumbai, August 30

Shaking off the two-year lull during the Covid-19 pandemic, the automobile industry expects revived fortunes as more buyers take home big-ticket purchases this festival season.

Shailesh Chandra, Managing Director, Tata Motors Passenger Vehicles and Tata Passenger Electric Mobility, said, "Strong Q1 has given the much-needed boost to the industry after two years of downturn. We expect the industry to further grow in Q2 owing to a strong order pipeline, new launches, low channel inventory and festival demand. We will have to cautiously observe the demand situation, given that H1 of CY2022 has been strong on supplies. It may release the pent-up demand and seasonality may start hitting the industry. However, the industry seems well poised to surpass the peak achieved in FY19. We have been

consistently improving our market share for the last eight quarters. In Q1, our market share crossed 14 per cent owing to strengthening of volumes across the product portfolio."

SUV in demand

Companies are crediting the growth in demand to a rise in disposable income and a return to normalcy in the market compared with 2021.

Veejay Nakra, President-Automotive Division, Mahindra & Mahindra, said, "We are expecting an upward trend in sales for our SUVs and small commercial vehicles, starting with *Navratri* next month. We continue to see strong demand across our brands in both the segments with an order book of around 1.7 lakh-plus units. Demand is extremely strong on Bolero Neo, XUV300, All-New Thar and All-New XUV700. With the recent blockbuster launch of All-New Scorpio-N and commencement



The industry is expected to grow further in Q2 on a strong order pipeline, new launches and low channel inventory

of bookings last month, we expect the order book to increase substantially before and during the festival season."

Sports utility vehicles (SUVs) are emerging as the preferred choice in the country, said Rakesh Srivastava, Managing Director, Nissan Motor India. "Nissan India is expecting an increased demand as we have seen a steady response for Nissan Magnite since its launch across markets, and our bookings are on an increase. We have strengthened the supply chain,

especially semi-conductor availability," he added.

Waiting period woes

Car buyers have, in the recent past, been dismayed by long waiting periods as manufacturers struggled to maintain supplies.

This issue is set to be resolved soon as production levels have increased, said Vinkesh Gulati, Chairman of the Federation of Automobile Dealers Associations (FADA).

Reporting brisk bookings for

various Maruti Suzuki models — Baleno (1.5 lakh), New Brezza (1 lakh), Grand Vitara (50,000) and Ertiga (1.07 lakh) — have garnered, Shashank Srivastava, Senior Executive Officer, Marketing and Sales, Maruti Suzuki India Limited, said, "We are constantly working towards minimising the waiting period for our products across different channels to ensure timely delivery to customers."

Echoing this, Hardeep Singh Brar, Vice-President and Head of Sales and Marketing, Kia India, said, "We have a strong line-up of SUVs and RVs (recreational vehicles) that are dominating the consumer choice at present, and we have a healthy pent-up demand."

Tepid show for 2Ws

Two-wheelers, on the other hand, are not in much demand this festive season. "The ground for two wheelers has not been great till now. The sales of cars will cross pre-pandemic levels but for two wheelers it looks difficult at present," said Gulati.

China remains the largest source for automobile parts: ACMA

Overall industry turnover in FY22 grew 23% to ₹4.20-lakh crore

OUR BUREAU

New Delhi, August 22

China remains the biggest source of auto components import, accounting for 30 per cent during FY22. However, in the overall industry dynamics, exports from India have grown in value terms, compared with imports last year, the Automotive Component Manufacturers Association of India (ACMA) said on Monday in its annual report.

Exports of auto components witnessed a 43 per cent growth to ₹1.41-lakh crore (\$19.0 billion) in 2021-22 as against ₹0.98-lakh crore (\$13.3 billion) in 2020-21. Traction in the domestic market also reflected on the imports of component into India. Component imports grew by 33 per cent in 2021-22 to ₹1.36-lakh crore



Export of auto components grew 43% y-o-y in 2021-22

(\$18.3 billion) from ₹1.02-lakh crore (\$13.8 billion) in 2020-21, it said. Overall, the turnover of the automotive component industry stood at ₹4.20-lakh crore (\$56.5 billion) in FY22, registering a 23 per cent y-o-y growth, the industry body said.

Sales to gain traction

"Capex cycle has grown and therefore, there is a growth in the market as well as the after-market. We are at good capacity utilisation and going towards pre-pandemic levels ... vehicle sales now seem to have reached the pre-pandemic

levels. Of late, there has been some moderation in the supply-side issues on availability of semiconductors, containers and input costs," Sunjay Kapur, President, ACMA and Chairman, Sonata Comstar, told reporters.

With a slew of new launches, vehicle sales are expected to gain traction during the festival season. Further, an increased focus by the auto industry on deep localisation and announcements of PLI schemes on advanced chemistry cell batteries and auto and auto components will facilit-

ate the creation of a state-of-the-art automotive value chain and aid in developing India into an attractive alternative source of high-end auto components, he said.

"Poor off-take of two-wheelers, increase in cost of insurance, high inflation, excessive fuel cost and extreme logistics costs are some of the issues of concern and do need urgent government attention," Kapur said.

After-market segment

"Despite supply-side issues, the industry demonstrated a remarkable performance in FY22. Significant growth was witnessed across all segments including supply to manufacturers, exports, as also the after-market," Vinnie Mehta, Director General, ACMA said. The after-market, estimated at ₹74,203 crore, witnessed a steady growth of 15 per cent. Component sales to manufacturers in the domestic market grew 22 per cent to ₹3.41-lakh crore, he added.

India's Auto Parts Cos Record Trade Surplus of \$700 million

Industry gains from top automakers' move last fiscal to rely less on China & derisk supply chains

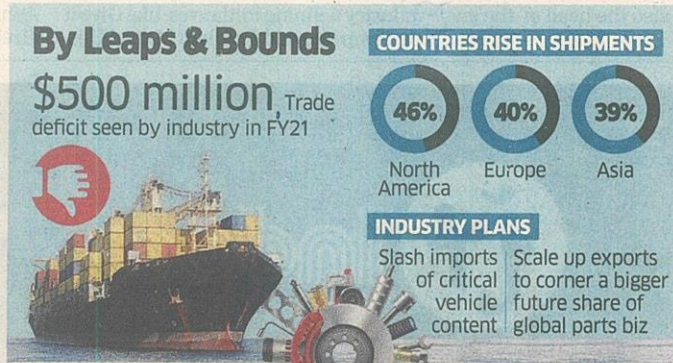
Sharmistha Mukherjee
@timesgroup.com

New Delhi: India's auto component industry recorded its highest trade surplus of \$700 million in a financial year in 2021-22, on the back of leading automakers across the world embarking on a 'China Plus One' strategy to de-risk supply chains in the wake of the Covid-19 pandemic.

The industry had registered a trade deficit of \$500 million in 2020-21.

"Auto component exports out of India grew strongly last fiscal, reiterating the 'China Plus One' strategy being implemented by MNCs," said Sunjay Kapur, president, Automotive Component Manufacturers Association (ACMA).

He said the increased focus by the auto industry on deep-localisation and the ₹44,038 crore production-linked incentive (PLI) schemes announced by the government for advanced chemistry cell batteries, auto and auto com-



ponents makers will aid in developing India into an attractive alternative source of high-end auto components.

Auto component exports increased 43% to a record \$19 billion in 2021-22. While shipments to North America went up 46%, those to Europe and Asia increased 40% and 39%, respectively. North America is the largest overseas market for Indian parts makers, accounting for 32% of overall exports last fi-

scal. Auto component imports during the fiscal amounted to \$18.3 billion.

Enthusied by the response Indian component manufacturers are receiving globally — most recently at a trade participation summit held alongside the Commonwealth Games in the UK earlier this month — industry stakeholders are looking at slashing imports of critical vehicle content and scaling up exports to corner a bigger

share of the global parts business. The automotive industry has identified 12 key components with localisation potential — including drive transmission, steering, engine, engine components, electricals, electronic components, iron and steel — to cut imports 15-20% (₹34,400 crore) over a period of five years. India imported auto components worth \$18 billion last fiscal.

Industry executives said apart from ensuring a larger play in the global supply chain, the exercise will also help reduce dependence on China, which accounted for 30% of imports in 2021-22. "The dependence on China exists and cannot go away overnight. But we will have to continue to invest and look at collaborations to replace that," said Kapur.

Overall, while the automotive value-chain faced significant disruptions over the past two years due to the pandemic, rapid recovery in the local market helped sales of passenger vehicles, commercial vehicles and tractors reach the pre-pandemic levels.

Business Standard 30th August 2022

Self-driving Teslas to cruise on roads by year-end: Musk

AGENCIES
Norway, 29 August

Tesla chief Elon Musk said on Monday he aimed to get the electric auto maker's self-driving technology ready by year-end and hopes it could be in wide release in the United States and possibly in Europe, depending on regulatory approval.

Speaking at an energy conference in Norway, Musk said his attention was currently focused on his SpaceX Starship spacecraft and self-driving Tesla electric cars.

"The two technologies I am focused on, trying to ideally get done before the end of the year, are getting our Starship into orbit ... and then having Tesla cars to be able to do self-driving."

"Have self-driving in wide release at least in the U.S., and ... potentially in Europe, depending on regulatory approval," Musk told the audience.

Earlier, Musk said the world must continue to extract oil and gas in order to sustain civilisation, while



Elon hopes for self-driving Teslas to be a wide release in US and possibly in Europe

also developing sustainable sources of energy.

"Realistically I think we need to use oil and gas in the short term, because otherwise civilisation will crumble," Musk told reporters on the sidelines of the conference.

Asked if Norway should continue to drill for oil and gas, Musk said: "I think some additional exploration is warranted at this time."

"One of the biggest challenges

the world has ever faced is the transition to sustainable energy and to a sustainable economy," he said.

"That will take some decades to complete." He said offshore wind power generation in the North Sea, combined with stationary battery packs, could become a key source of energy. "It could provide a strong, sustainable energy source in winter," he said.

Elon Musk reportedly made his

BYD Auto pips Tesla to become top-selling EV brand globally

Global passenger electric vehicle (EV) sales grew 61 per cent (on-year) to reach 2.18 million units in the second quarter this year, a new report said on Monday, as for the first time, China's BYD Auto became the top-selling EV brand, dethroning Elon Musk-run Tesla.

During Q2, BYD Auto shipped more than 354,000 EV units, an increase of 266 per cent YoY. Tesla's global sales grew 27 per cent YoY to over 254,000 units, falling short of expectations.

In total EV sales, battery electric vehicles (BEVs) accounted for almost 72 per cent and plug-in hybrid electric vehicles (PHEVs) for the rest, according to Counterpoint Research. China remained the market leader in EV sales, followed by Europe and the US.

AGENCIES

comments as Europe is grappling with its worst energy crisis in decades as Russia is lowering natural gas deliveries to the region and nuclear power-plant outages in France further sap supply, according to Bloomberg report.

Europe's politicians have already earmarked about 280 billion euros (\$278 billion) to ease the pain of surging prices for businesses and consumers, but the aid risks being

dwarfed by the scale of the crisis and the European Union will call an emergency meeting of energy ministers to discuss bloc-wide solutions, the report said. Musk said ocean wind has "massive untapped potential" and added he's a proponent of nuclear energy, adding, "if you have a well-designed nuclear plant, you should not shut it down — especially right now," as per report.

'Priority is to make cars safe, affordable'

SRONENDRA SINGH

New Delhi, August 26

In the 40 years of his life in Maruti Suzuki India (MSIL), one regret that Chairman RC Bhargava has is that cars are becoming unaffordable for Indians because of various reasons — economic or regulatory. In an interview with *BusinessLine*, Bhargava said even though India sells around 20 million two-wheelers every year and there are around 230 million two-wheeler owners in India, they are not upgrading quickly to cars because prices have gone up a lot even for small cars. As MSIL gears to celebrate 40 years of operations, Bhargava said the company has played a significant role in the development of the industry, supply chain of components and allied sectors. The total investment made by the Suzuki group is around ₹65,000 crore in these 40 years and total contribution to exchequer is more than ₹2.70-lakh crore, he added. Excerpts:

The industry recently reported the highest-ever turnover of ₹4.2-lakh crore, a 23 per cent y-o-y growth in FY22. How much do you

think Maruti Suzuki has contributed to it?

The whole component industry has grown because of Maruti... There wasn't any before Maruti came in 1983 — when Ambassador, Fiat or Telco (now Tata Motors) were there, there was no worthwhile auto component industry. The industry developed because we gave special importance to component development and the vendors, and adopted partnership approach to dealing with them. We have always been there to advise, guide and help vendors in their operation. Because the principle which we always believed in is that the more competitive the supply chain becomes, the more competitive Maruti will become.

THE
BL
INTERVIEW

What's the company's aim in the next 40 years, or say the next 25? The fundamental plan is to take part in India's growth in the next 25 years. We see that these years should see a much faster rate of economic and industrial growth and this has to translate to a faster growth of the automotive industry. We think the policies of the government now will

“ If by trying to make the car into a tank, the car becomes unaffordable to a large segment of the people, then have I achieved anything?”

RC BHARGAVA
Chairman, Maruti Suzuki



be more friendly towards manufacturing growth. In the past, policies were not friendly, and that was one of the things when we started 40 years ago — Maruti was not expected to survive. It was seen as a political project, which, it was in a sense. It was not a planned project or a part of an economic plan. And the expectancy of Maruti succeeding was as close to zero as possible. But, we succeeded because of this partnership with Suzuki. One of the things which the Maruti experience has taught us is the enormous energy which will generate if everybody works together.

As time changes, customers expect technologically advanced products and

better safety features, like star ratings in crash tests...

I don't think anybody understands what causes accidents in India. The cars don't cause the accidents as such and if you're talking of injuries and deaths, they happen because accidents happen. Accident rate in India is among the highest in the world. The question I have is should we first look at preventing accidents or at seeing that accidents happen, and we'll try and save you once you have an accident. I think the answer is obvious — talking about this one star, two stars, is people who are trying to promote how to make the car safer if there's an accident. My priority at the moment in India is certainly to make the cars as safe as the govern-

ment regulations require and will make car still affordable to people. If by trying to make the car into a tank, the car becomes unaffordable to a large segment of the people, then have I achieved anything? The job of a manufacturer is to look at the totality of safety, not at one component which may be the least important. We are the company which is doing maximum towards safety, but the impression that is carried out is 'Maruti resists airbags'.

Don't you think it would affect your sales and market share in the future? Your entry-level car sales are already down.

The prices have gone up a lot and that is the problem. That is why the sales in the lower-end of the market have declined substantially, which I am unhappy about because we are denying the weaker customers an opportunity to get into something more comfortable and safer. So by making the small cars expensive and safe, the result is that people who would have upgraded to a four-wheeler have to delay the purchase. They will buy ultimately, but they may delay it by a year or two.

The Economic Times 26th August 2022

Auto Firms Go Full Throttle to Rope in EV Tech Talent, Reskill Staffers

EV talent demand at mid and senior-level has grown more than 55% YoY in quarter-ended June

Prachi Verma Dadhwal & Sharmistha Mukherjee

New Delhi: Auto companies are going full throttle on electric and with demand for talent outstripping supply in this space, companies like Mercedes Benz, Tata Motors, and Ashok Leyland are focusing on skilling in-house talent for their electric vehicle (EV) divisions.

These companies, along with others that have jumped into the EV domain, also continue to hire from the market, their executives and headhunters told ET.

Demand for EV talent at mid- and senior-level has grown more than 55% year on year in the quarter ended June, according to staffing firm ManpowerGroup estimates. Rival CIEL HR Services said the demand for man-

power in the EV domain has gone up over 100% in the last two years. The current scramble for talent in the EV domain is only getting

fiercer with several new models, including nearly two dozen EVs in the passenger vehicle segment, set to hit roads in the country in the next 3-4 years.

“It is a simple demand-supply game. Availability of talent is much less than the demand and hence

companies face stiff competition in getting the right talent,” said Alok Kumar, senior director at Manpower, a subsidiary of ManpowerGroup. “As

MARTIN SCHWENK
MD, Mercedes-Benz India
We foresee an increasing demand for highly skilled workforce as the auto industry transitions into electric mobility

most EV manufacturers have an automobile background, they have started focusing on their in-house talent through training, up-

skilling, and reskilling,” he added.

Martin Schwenk, managing director of Mercedes-Benz India, said the company has started extensive upskilling initiatives for both employees and dealerships for manufacturing locally, selling, and servicing high-end EVs. “We foresee an increasing demand for highly skilled workforce as the auto industry transitions into electric mobility,” Schwenk said in an emailed response to ET.

Ashok Leyland's EV arm Switch Mobility is co-creating modules to enhance the skillsets of its existing employees. “Further, we focus on skill-specific hiring rather than EV-specific hiring, which helps us meet the resource demand,” Mahesh Babu, CEO of Switch India, told ET.

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www.economictimes.com



PRESS REPORTS ON ELECTRIC VEHICLE

Business Line 18th August 2022

M&M scouts for land to set up e-SUV unit

Looking for incentives from a State that houses automotive ecosystem

G BALACHANDAR

Chennai, August 17

Mahindra & Mahindra (M&M) Ltd is in the process of identifying a new location to establish a full-fledged manufacturing unit for electric SUVs as the leading auto manufacturer has set an ambitious target of selling a little less than a third of its SUVs in electric format – about 2 lakh units – by 2027.

As the company released its electric SUV vision with the unveiling of a new EV platform, showcasing five electric SUVs (in the above 4-mtr length category) under two EV brands and forging a partnership with Europe's top automaker Volkswagen for the supply of MEB (Modular electric drive matrix) electric parts for its new EV platform, Mahindra is now seeking to put up a new fac-

ory for producing electric SUVs.

"One of the criteria to make that decision is the kind of subsidies we may get from States. We are waiting to go through that process and will keep two or three options open before firming up our manufacturing plans," Rajesh Jejurikar, Executive Director, Auto & Farm Sectors, Mahindra & Mahindra, told *BusinessLine* during an interaction.

The company is open to multiple options. The subsidy will not be the only criteria. But it is an important part in deciding the location," he said adding, "of course, the facility will have to be located in an automotive hub region only. We have now enough States with an automotive ecosystem and they are all keen on attracting EV investments. We have also started talking to few States for the



Rajesh Jejurikar, Executive Director, Auto & Farm Sectors

proposed EV manufacturing unit," said Jejurikar.

Mahindra has set out an ambitious target of selling 20-30 per cent of its SUVs in electric versions by 2027, which will translate into an annual volume of about 2 lakh units. As the first step in this direction, the company will unveil its electric SUV XUV400 next month and the deliveries are expected to start during Q12023.

M&M will have a separate EV arm for the development, manufacturing and selling of electric

SUVs and the electric arm has already attracted investments to the tune of ₹1,925 crore from British International Investment, UK's development Financial Institution, at a valuation of ₹70,070 crore. M&M will also invest an equal amount in the EV arm. The total capital infusion for the EV arm is estimated at ₹8,000 crore between FY24 and FY27 for the development of products, supply chain and manufacturing.

Advantage TN

Currently, southern States such as Tamil Nadu, Karnataka and Telangana, and western states like Maharashtra and Gujarat in the West, are at the forefront of the EV manufacturing race. States like Tamil Nadu have two auto and electronic industrial clusters complementing and supporting each other. With a host of incentives, Tamil Nadu has attracted more than ₹20,000 crore investments in the EV sector.

Business Line 30th August 2022

Mahindra Electric launches 3-W cargo EV

Priced in the range of ₹3.60-3.95 lakh; pre-order bookings touch 14,900 units

ISHA RAUTELA

Bengaluru, August 29

Mahindra Electric Mobility Limited (MEML) on Monday launched a new cargo electric three-wheeler, Zor Grand, at an ex-showroom price of ₹3.60-3.95 lakh. Zor is powered by a 12Kwh battery pack. It is equipped to go 100 km per charge and the battery is built to be fully charged in less than four hours.

Through an MoU with logistics companies including Mahindra Logistics, Magenta EV Solutions, MoEVing, EVnow and others, the company has so far secured 14,900 pre-order bookings. It will initiate the delivery in September. "The last mile delivery and logistics segment has



Suman Mishra, CEO, MEML, at the launch on Monday

seen a need for premium and high-quality EVs to enable reliable and cost-effective cargo transportation. We are excited to launch Zor Grand to effectively address the demands of our customers," said Suman Mishra, CEO.

Growth in the market

While the vehicle will be assembled in Zaheerabad, Telan-

gana, it will import the battery cells, said Mishra. MEML expects the market to grow at a 60 per cent CAGR in the next five years.

"EV adoption in India is starting with smaller vehicles, while the other categories are slower to adopt. We have already seen 5 per cent adoption in the three-wheeler category and 4-5 per cent in the two-wheeler category." According to her, the economic advantage in terms of the total cost of ownership pushes the growth of EV adoption.

Fast charging solutions are way forward for EVs: Altigreen CEO

Company plans to set up 100 charging points across major cities

SRONENDRA SINGH

New Delhi, August 18

Altigreen, an electric three-wheeler maker, says fast charging solutions are the way forward for the electric vehicle (EV) industry in India. The company plans to set up 100 charging points across major cities by this financial year.

"We're going to set up 100 network points in every city that we are present. So Bengaluru will have 100 network points in this financial year itself... Altigreen has built a battery and a charging station that has made charging seamless. The next step is to ensure that there is a network so that customers can easily find these charging stations and charge and keep moving," Amitabh Saran, Chief Ex-



Amitabh Saran, CEO

ecutive Officer, Altigreen, told *BusinessLine*.

The Bengaluru-based company provides last-mile delivery with its commercial electric three-wheelers. With its partner, Exponent Energy (another Bengaluru-based energy start-up), it has developed fast charging solutions with a full charge in 15 minutes and also gives 3,000 charging cycles.

According to Saran, the company's commercial electric three-wheeler called neEV offers a range of 150 km on a single charge and it has seen demand from e-commerce

platforms, and LPG cylinders, vegetables, or milk delivery vendors.

'Forgetting range anxiety'

"We realise that we want to speed up and make energy a seamless experience. Owning an EV should be more freeing than a diesel vehicle, and it should drive and operate better. And I think that's how we displace the whole segment overnight," he said, adding, "But most importantly, ensuring a charge in 15 minutes makes customers forget about range anxiety."

Saran notes that for both customers and third-party charging network partners, fast charging make a good business case. "If I go to a slow charging station, I have to pay ₹24 a unit and can charge only two or three vehicles a day, which becomes very expensive," he said. "But with fast charging, you can exponentially bring down the cost of energy."

Mercedes targets 25% sales from EVs in 5 years

Debuts new luxury EV priced above ₹2.5 cr; to create fast-charging network soon

AROOSA AHMED

Mumbai, August 24

German luxury carmaker Mercedes-Benz is targeting 25 per cent of its sales in India from electric vehicles over the next five years.

"We are looking at a 25 per cent share in our own portfolio and will still have a strong demand in conventional engines such as petrol or diesel and I see an accelerated curve that is coming," Martin Schwenk, MD & CEO of Mercedes-Benz India, said during the launch of its first luxury EV - Mercedes-AMG EQS 53 - in Mumbai on Wednesday.

The car will be priced above ₹2.5 crore and has a battery ca-



Martin Schwenk (right), MD & CEO, Mercedes-Benz India, and Santosh Iyer, V-P - Sales & Marketing, at the launch of the first luxury EV - Mercedes-AMG EQS 53 - in Mumbai on Wednesday AFP

capacity of 107.8kWh. The car has an onboard charger of 22kW and a power consumption of 23.4-21.1kWh/100km. Further, the vehicle has high efficiency particulate air (HEPA) filter against airborne pollutants.

This will be the first of the three new luxury EVs it plans

to introduce in India in 2022.

The company has stated that locally assembled EQS580 will also be launched soon. It will also debut a seven-seater EQB in the next four months.

The company will invest ₹15 crore to establish fast-charging networks for its EVs

across the country with franchise partners.

Fast-charging network

"Customers can charge free of cost for the first year. We provide for most long-distance routes and charging stations have been put at strategic locations at our dealership places. The chargers will be available 24/7 at dealerships. This will be the largest from any luxury carmaker and will cover 80 per cent of the country by the end of this year," Martin said.

Demand still up

Stating that the demand has not eased, Martin said, "Currently, we have over 6,000 open orders across all our range. It means the customers have to wait for their cars. Global inflation or interest rate has not lowered the interest in purchasing our cars. We still take more orders than we sell or produce."

Greaves Electric Mobility lines up EV launches

Expects more penetration in electric 2-W market and a rebound in sales of electric 3-W



GEM's electric scooter Magnus

G BALACHANDAR

Chennai, August 29

Greaves Electric Mobility (GEM), the electric mobility arm of Greaves Cotton Ltd, is planning to launch new EVs as the company expects penetration of electric two-wheelers to increase, while electric three-wheeler sales to bounce back.

Increasing volumes

The company is looking at introducing two new electric two-wheelers and three electric three-wheelers soon. In the two-wheeler segment, it is looking at launching high-speed scooters, the management said during a

recent investor interaction. GEM's EV volumes continue to gather momentum as its electric two-wheeler sales have been increasing from 10,000 units a quarter to 10,000 units a month.

The company can produce 20,000 vehicles a month on a single shift. The capacity can be increased further too. The company has about 290 active dealers for the EV business.

GEM expects the electric scooter market to achieve 4-5 per cent penetration this fiscal, up from 1.69 per cent in FY22. The e-commerce segment is expected to drive the growth of city speed

e-scooter segment. Also, commuters in tier-1, 2 and 3 cities are expected to transition to electric scooters at the price of ICEs.

Last-mile connectivity

The electric three-wheeler market is anticipated to grow at double digits owing to the growing need for last-mile connectivity as these are seen as inexpensive and eco-friendly. The market is expected to grow to more than 2.5 lakh units this fiscal, according to the company.

GEM believes that its recent strategic partnership and investments from its partner Abdul Latif Jameel, a family-owned and diversified global investor, will speed up its EV business growth. Jameel has committed an investment of up to \$220 million, of which the first tranche of \$150 million has been commissioned. GEM has the option to draw the additional \$70 million within 12 months should they want to.

EV Charging Startup Exponent Energy Raises \$13 M Led by Lightspeed

New Delhi: Electric vehicles charging startup Exponent Energy on Wednesday said it has raised \$13 million (over ₹100 crore) in a Series A funding round led by investment firm Lightspeed.

Existing investors YourNest VC, 3one4 Capital and AdvantEdge VC also participated in the round, the company said in a statement.

Exponent Energy, which has developed its proprietary charger and battery 'e-pump' and 'e-pack' that together can provide rapid charging of 100% in 15 minutes, said it will use the fresh funds to expand its network and streamline production.

The company plans its 'e-pump' network to be 100 location points per city, starting with Bengaluru, the statement said.

"This funding now allows us to execute even faster and make 15-min rapid charging the new normal," Exponent Energy co-founder and CEO Arun Vinayak said.

On the investment in Exponent Energy, Lightspeed Partner Harsha Kumar said, "We are confident that the technology is a real breakthrough, allowing EVs to become ubiquitous".

The startup had earlier raised



\$6 million in seed and pre-series A round from various investors, including the family office of Hero MotoCorp Chairman and CEO Pawan Munjal, auto components major Motherson Group, YourNest VC, 3one4 Capital and AdvantEdge VC.

Prolance raises \$2 mn Startup Prolance, a technology-enabled cloud manufacturing platform for interior design companies, on Wednesday said it has raised \$2 million (about ₹16 crore) from investors.

In pre-Series A funding round, Fundamental, Axilor, Arali Ventures and Force Ventures participated.

The company said it will use the funds for expansion into more cities across India and to add new categories on its platform.

The Economic Times
18th August 2022

EVs will be a 'silent revolution' in future: PM

S RONENDRA SINGH

Gandhinagar, August 28

Electric vehicles will only grow in the future and this 'silent revolution' is going to bring a lot of change, Prime Minister Narendra Modi, said on Sunday in Gandhinagar.

"Be it two-wheeler or four-wheeler, they don't make any noise. This silence is not only about its engineering, but also the beginning of a silent revolution in the country, he said.

As part of the government's efforts to strengthen the EV ecosystem, the Prime Minister said that various incentives are being provided to EV buyers and the government has also taken numerous steps such as rebates in income tax and simplifying the loan process.

Laying the ground

Speaking at a programme marking the commemoration of 40 years of Suzuki in India, being held here, Modi said the success of Maruti-Suzuki also signifies the strong India-Japan partnership.

"In the last eight years, the relations between our two countries have reached new



40 years of Suzuki in India Prime Minister Narendra Modi with Osamu Suzuki, Chairman, and Toshihiro Suzuki, President, Suzuki Motor Corporation, at an event in Gandhinagar, on Sunday **REUTERS**

heights. Today, from the bullet train in Gujarat-Maharashtra to the Rudraksh centre in Banaras in UP, many development projects are examples of India-Japan friendship," he said.

The PM also informed that many other Japanese companies have expressed interest to invest in India. He also underlined the importance of this year, as India and Japan mark 70 years of their relationship.

Meanwhile, the PM laid the foundation stones of Maruti Suzuki India Kharkhoda (Sonipat, Haryana) plant and Suzuki EV Battery Plant, Hansalpur, Gujarat (both virtually from here).

The Suzuki battery plant in

Gujarat will be set up with an investment of around ₹7,300 crore to make advanced cell batteries for EVs, while the vehicle manufacturing facility in Kharkhoda will manufacture 10-lakh passenger vehicles per year, and the first phase of the project will be set up with an investment of over ₹11,000 crore.

Speaking at the event, Toshihiro Suzuki, President, Suzuki Motor (Japan), said, "In the last fiscal, Suzuki Group produced about 28-lakh automobiles all over the world. Out of those, more than 16-lakh units or about 60 per cent, were produced in India. Also, exports from India reached a record of about 2.4-lakh units last year."

EV maker BYD plans launch of new SUV in India by Q4 2022

Chinese firm says seeking to position itself as a 'tech premium' brand in the Indian market

GBALACHANDAR

Chennai, August 24

China-based auto and battery group BYD — the world's leading electric car manufacturer by volume now — is preparing to introduce a mid-size electric SUV in the Indian market in the last quarter of this calendar year. The upcoming SUV will be the company's second EV to be sold in India, the first one being its MPVE6.

"Deliveries may start possibly from January 2023," Sanjay Gopalakrishnan, Senior V-P of Electric Passenger Vehicle Business, BYD India, told *BusinessLine*. He added that the upcoming model is a global product, which has already been rolled out in Singapore and unveiled in Japan.

Good response

"BYD's electric vehicles will be positioned as a 'tech premium' brand in the Indian market. Go-



The upcoming SUV will be the company's second EV to be sold in India, the first one being its MPV E6 (pictured here)

palakrishnan said the company has been encouraged by the good response to E6 and growing SUV sales in the country.

Since its launch in November 2021, the company has sold close to 450 units of E6. The initial feedback and response have been encouraging, especially in terms of the performance of the car.

Like the E6, the upcoming SUV will also be assembled at the company's Chennai factory, which can assemble 800-900 cars a month on a two-shifts and annually it can produce up to 10,000 units, said Gopalakrishnan.

Sales growth

BYD is bullish on the sales

growth as it expects both personal and fleet segments to drive volumes. "In the next 3-5 years, Indian and global companies' fleets will shift from ICE vehicles to products as part of their sustainability focus, and we hope this drives demand for MPV E6," he said.

While the company has already tied up with companies like ChargeZone, Voltic and IndiPro for charging infrastructure, it is also in talks with some for home-charging solutions.

BYD has dealerships in 12 cities now and it will be expanding to 16-17 cities with 23-24 showrooms by the end of 2022. But, it has also been attracting buyers from tier-2 and -3 towns.

PRESS REPORTS ON TWO-THREE WHEELERS

Business Standard 29th August 2022

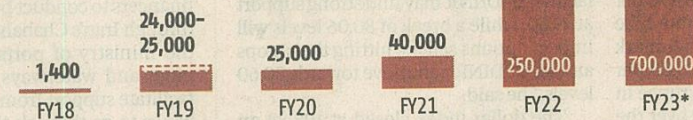
'Electric scooters to hit 5% of two-wheeler market in FY23'

Greaves Electric Mobility projects sales of two-wheeler EVs will balloon to 700,000 units in FY23

SURAJEET DAS GUPTA
New Delhi, 28 August

CHARGING UP

Sales of electric scooters



*projected

Source: Greaves Electric Mobility, industry estimates

Greaves Electric Mobility (GEM), which sells the Ampere brand of electric scooters, projects that the inflection point for the conversion of internal combustion engine (ICE) scooters to electric ones will be reached in FY 23, hitting 4-5 per cent of the total two-wheeler market. In FY 22 the penetration of electric two-wheelers was less than 2 per cent of the market.

Elaborating on its upbeat view of the industry, Nagesh A Basavanhali, executive vice-chairman of Greaves Cotton Ltd, of which Greaves Mobility is a subsidiary, says: "Our projection is that the industry will hit sales of 700,000 electric scooters in this financial year, compared to 250,000 in FY 22. This will be the real inflection point which is needed as penetration of electric scooters will hit 4-5 per cent."

He projects, moreover, that by 2027 as much as 30-35 per cent of ICE scooters, whose current sales are around 6-7 million per annum, will be converted to electric.

Basavanhali should know. With the company accounting for 14 per cent to 15 per cent share of the electric scooter sales in the country, it has been amongst the top four players in the market since it acquired electric scooter company Ampere in phases from 2019.

The confidence, says Basavanhali, comes from the fact that while GEM sold around 65,000 electric scooters in FY 22, in the first quarter of FY 23, it

has managed to sell close to half those numbers — around 29,577. As a result, the company is doubling its capacity so that it can make 25,000 electric scooters a month.

Though he concedes that the incidents of electric scooters catching fire were a dampener, Basavanhali points out that the chip shortage which had hit the industry in the previous two to three quarters, is now easing. However, based on overall registrations (of eight companies, not including incumbent

ICE players), the market has seen either stagnant numbers, or falling month on month since May this year. In July, for example, registrations fell by 5 per cent over June. And there was a sharp decline of 24 cent in May over April.

Unlike Ola Electric, which has decided on an initial average selling price (ASP) of ₹1.5 lakh (it has just announced an electric scooter in the ₹99,000 range), GEM has focused on the sweet spot of the ₹80,000-Rs 90,000 market. "We have concentrated

on the heart of the market, which covers around 150 million households. We see the price-volume equation existing in this range, and we can operate here profitably," says Basavanhali.

That said, the company has been pushing up its average selling price after it acquired Ampere, which was priced at just ₹40,000. It is also working on some products with a higher range, speed and features, which will be in the above ₹1 lakh category. GEM expects to announce these in a couple of quarters.

Again, unlike Ola Electric, which has gone with direct delivery to customers, GEM has already got 650 retail distributors and plans to add 20-30 more every month. Also, unlike its rival, the company has avoided getting into advanced chemistry cells for batteries under the government's production-linked incentive (PLI) scheme.

Basavanhali says that these are capital intensive, and the market is still evolving with alternatives to lithium ion like sodium ion. GEM, he adds, has relationships with many companies that will manufacture the batteries in the country and it plans to buy from them.

However, he admits that the company is still in talks with the government to allow it to participate in the PLI scheme for making electric two-wheelers, as Ola Electric, Bajaj Auto and TVS have been eligible for the scheme. Unfortunately, says Basavanhali, the net worth needed to be eligible for the PLI scheme was too high for GEM, as it is neither a start-up nor a very large company.

Ready to meet demand surge, says Royal Enfield

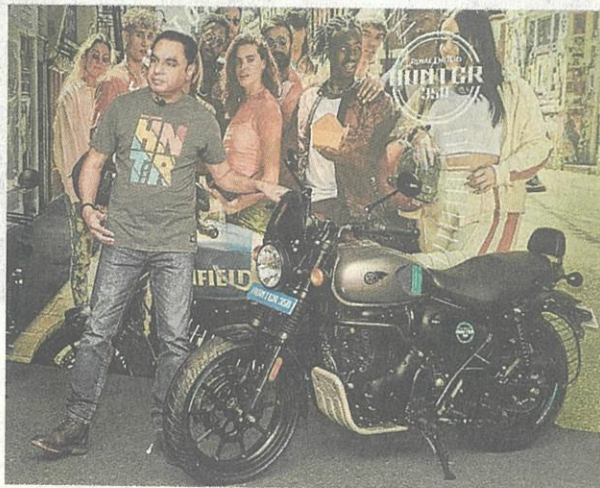
OUR BUREAU

Chennai, August 24

Leading two-wheeler maker Royal Enfield Motors has indicated that it is prepared to meet the demand surge that is likely to arise in view of its new launches and the festival season. "We are bullish on the upcoming festival season as we expect good demand. We have enough capacity to take care of it," Yadvinder Singh Guleria, Chief Commercial Of-

ficer of the company, said during the launch of its new motorcycle Hunter 350.

The bike's starting price is ₹1,49,900 (ex-showroom, Tamil Nadu). It comes in two editions - Retro Hunter and Metro Hunter and is available in eight colour options. The company has also started delivering the vehicle. "We are trying to ensure that the waiting period is not more than two months," he added.



Yadvinder Singh Guleria, Chief Commercial Officer, Royal Enfield Motors, at the Hunter 350 launch in Chennai BIJOY GHOSH

PRESS REPORTS ON COMMERCIAL VEHICLE

Business Line 19th August 2022

Ashok Leyland-backed Switch Mobility unveils electric double-decker bus in Mumbai

Priced at around ₹2 cr, the Switch EiV 22 has a 231-kWh capacity and a range up to 250 km

SWARAJ BAGGONKAR
AROOSA AHMED

Mumbai, August 18

Switch Mobility, the electric vehicle making subsidiary of bus specialist Ashok Leyland, on Thursday unveiled India's first electric double-decker air-conditioned bus, Switch EiV 22, priced at around ₹2 crore.

Designed, developed and manufactured in India and utilising Switch's global electric bus experience, Switch EiV 22 is world's first semi-low floor, air conditioned, electric double-decker with wider door on rear overhang and a rear staircase.

The Brihanmumbai Electric Supply and Transport (BEST) in Mumbai will be the first in

the country to get these buses.

As many as 200 buses, each with a capacity to carry 90 passengers, will be inducted by BEST by June next year, with the first one scheduled to be delivered in the March quarter of this fiscal year.

Ashok Leyland was the original company to deliver double decker buses to BEST in 1967.

Though their numbers have dwindled over the years, they continue to ply on some of the busiest routes in Mumbai.

OHM, a subsidiary of Ashok Leyland, will own the buses, run the operations and do the charging, maintenance of the vehicle. Switch will look at the

annual maintenance contract (AMC) through its dealer partners. Switch's electric double decker has a lightweight aluminium body construction — which the company claims offers higher passenger to weight ratio and a competitive cost per km per passenger.

The Switch EiV 22 has a 231-kWh capacity, 2-string, liquid cooled, higher density NMC chemistry battery pack with dual gun charging system.

This enables the bus to have a range up to 250 km for intra-city applications.

The Switch double decker can ferry nearly twice the number of seated passengers as a comparable single decker bus with just 18 per cent increase in kerb weight.

The architecture of the double decker uses a 650 V system — the same platform as Switch EiV 12 launched in



As many as 200 buses will be inducted by BEST by June next year

June, which is also common with Switch ei.

Other cities

Mahesh Babu, CEO-Switch Mobility India and COO - Switch Mobility, said, "The product has been unveiled and the testing and validation will happen in a few months.

The chassis will be made at our Ennore plant and the body will be built with our partner in Mumbai."

Many other cities including Bengaluru, Hyderabad, Chennai and Delhi are discussing on having double decker electric buses given the growing issue of traffic congestion.

Ashok Leyland eyes larger share in pickup segment



Dheeraj Hinduja (right), Executive Chairman, Ashok Leyland, and Rajat Gupta, Head, LCV, at the launch of Bada Dost i1, i2 and the limited edition LCV range in Chennai on Monday BIJOY GHOSH

Unveils new range of Bada Dost; prices i1 model at ₹7.9 lakh and i2 at ₹8.63 lakh

OUR BUREAU

Chennai, August 29

Leading truck and busmaker, Ashok Leyland, has introduced a new range of pickup vehicle, Bada Dost, as the Hinduja flagship gears to boost presence and market share in the small commercial vehicle segment.

The company has introduced 2.5-tonne GVW (gross vehicle weight) Bada Dost i1, which will have a payload capacity of 1.5 tonne and 2.88-tonne GVW Bada Dost i2, which will offer a payload capacity of 1.425 tonne.

The new range comes with a mileage promise of 16-17 km per litre. It has also launched a features-packed limited edition of Bada Dost to celebrate two years of the model. Bada Dost i1 will be priced at ₹7.9 lakh (the AC version will be available with an additional amount of ₹25,000), while Bada Dost i2 is priced at ₹8.63 lakh. The limited edition model is priced at ₹9.43 lakh.

“The new range has been introduced based on the customer feedback especially in e-commerce sectors and a few other applications where customers travel about 200 km a day,” Rajat Gupta, Head-Light Commercial Vehicles, Ashok Leyland, told *Business-Line* during the launch.

While i1 may target customers in intra-city applications, i2 will focus on customers in both the intra-city and inter-city applications.

‘Chip shortage is easing’

Dheeraj Hinduja, Executive Chairman, said the issues relating to the availability of semiconductors were easing. The company’s LCV sales would have been higher by 10-15 per cent had there not been any chip shortages. “The indications we get from our vendors is that the situation is improving,” he added.

He also indicated the company would soon launch CNG variants while its EV arm Switch Mobility would start rolling out electric models in six months.

The company hopes to increase its market share in the pickup segment from the current about 20 per cent helped by the new launches.

PRESS REPORTS ON COMPANY NEWS

The Economic Times 17th August 2022

LATEST TECH TO REDUCE DEVELOPMENT TIMELINES

M&M's Parts Sourcing Deal with VW to Help Speed Up EV Rollout

Ashutosh.Shyam@timesgroup.com

ET Intelligence Group: Mahindra and Mahindra's (M&M) decision to source components for its electric vehicle (EV) venture from Volkswagen (VW) augurs well for its stock.

M&M's potential EV revenue in the next five years may be nearly twice that of the current turnover from the sports utility vehicles (SUV) segment. With a strong pipeline of five products in the EV SUV segment by 2026, a first among Indian car makers, the company's goal of achieving volumes of 200,000 EVs by 2027 gathers more credence.

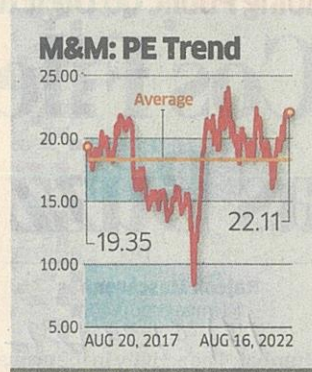
The maker of XUV 700 and Scorpio has signed a term sheet with VW Group for the supply of the latter's architecture called modular electric drive Matrix (MEB) for electric components. All five new EV models of M&M will be equipped with MEB components.

The access to the latest VW technologies would reduce development time helping M&M meet the deadline for launching its Born Electric range of vehicles. While in the initial period, the partnership will be for sourcing parts, in the long term, M&M may offer its EV platform IN-GLO for use to the VW group for its new launches in India and other emerging markets. This has the potential to expand M&M's EV production.

Higher volumes will also help M&M's other sourcing partners to increase localisation, particularly for battery packs. This may help in pricing its EV products more competitively to gain critical market share.

The Indian passenger vehicles market is expected to reach around five million units in the next five years. Of this, EVs are expected to form 10-15%.

After the fund infusion announcement by British Investment International (BII) in M&M's EV subsidiary in July, analysts assume the latter's EV production to reach 100,000 units by 2027



with a 30-40% success probability compared with a higher probability of 70-80% for Tata Motors' EV venture.

A strong pipeline of EV products with the support of VW may raise the success probability ascribed to M&M. The execution of M&M has improved with the commercial success of nearly every vehicle launched in the past three years. It has a current order book of around 270,000 vehicles, equivalent to more than last fiscal year's volumes.

Analysts currently value M&M's EV business at ₹100-150 a share, which can improve as volumes expand

If the EV execution is similar, there is a scope for significant value creation when M&M taps more investors in the next few months for the unfunded portion of ₹6,000 crore out of the total

investment of ₹10,000 crore in the next five years for the EV business.

Analysts currently value the company's EV business at ₹100-150 per share. This may improve as EV volume expands. Mahindra's guidance on EV growth and penetration indicates that it may produce around 700,000 units for FY23. This would imply 24% CAGR growth between FY23 and FY27.

M&M's stock trades at 22 times one-year forward earnings, a 20% premium to the five-year average valuation. It has gained 61% over the past 12 months.

Success of New Cars Makes India One of Skoda's Top 3 Markets

Sales of SUV Kushaq and Slavia sedans in India helped boost Skoda sales in H1 of 2022

Ketan.Thakkar
@timesgroup.com

Mumbai: India has broken into the top three markets for Czech carmaker Skoda Auto in the first half of 2022, led by a good traction for its SUV Kushaq and Slavia sedans in the domestic market. The European carmaker's performance in India has, in fact, exceeded the internal plans of the company, said the top management in an interview to ET.

India gained from the cessation of sales in Russia and modest performance in China to break into the top three markets.

India is set to end 2022 in the top three markets as expanded volumes on account of product portfolio and network expansion

helped Skoda set a new record crossing 60,000 units in annual sales, which is more than double of last year.

Martin Jahn, member of board of management for sales and marketing at Skoda Auto told ET that the company has been able to deliver on volumes planned with the Slavia sedan getting off to a good start.

"We are very excited about India, we are successful with our recent products. With the current situation in the Russian market, India is becoming one of our biggest markets now. In the

first half of 2022, India was number three. And we expect it will be a country which will also drive future growth."

Interestingly to define the next phase of expansion in India, the entire board of Skoda Auto is currently deliberating multiple plans. The Board may probably take a critical call of the expansion into electric vehicles for the country and the next steps beyond 2.0.

ET had earlier reported Skoda Auto Volkswagen has already approved a project 2.5, which entails an expansion into the fast-growing sub-4 metre SUV segment. While the work on Skoda's version of sub-4 metre SUV has kickstarted for 2024-2025, a VW version is yet to be finalized, say people in the know. The market share of the company may cross 1.5% at the end of the calendar year with improved supplies and matured volumes of both Kushaq and Slavia in the domestic market.



Business Line
25th August 2022

TVS Motor picks 48% stake in Narain Karthikeyan's DriveX

Deal valued at ₹85.41 crore

OUR BUREAU

Chennai, August 24

TVS Motor Company has announced that it has acquired 48.27 per cent stake in Formula 1 Driver Narain Karthikeyan's start-up 'DriveX' for a consideration of ₹85.41 crore. The company has taken over the stake in Nkars Mobility Millennium Solutions Private Ltd, which operates the brand 'DriveX'.

DriveX is engaged in leasing of two-wheeler motorcycles and scooters and selling, trading and distributing of pre-owned two-wheeler motorcycles and scooters. Incorporated in April 2020, DriveX has expanded to five cities.

"The pre-owned two-wheeler market is largely unorganised today. It is delightful to see what DriveX has been able to create and deliver in such a short time. Narain and his team have built a unique platform that can scale up quickly," Sudarshan Venu, MD, TVS Motor Company, said in a press release. Nkars Mobility registered a



Narain Karthikeyan

turnover of ₹47.98 lakh in FY21 and ₹8.68 crore in FY22.

Strengthening presence

Narain Karthikeyan, Founder and CEO of DriveX, said the pre-owned two-wheeler platform is a digital-first business, serving all brands with unique analytics-led capabilities across the value chains.

"We have also been successful at launching new business models, including the subscription model in the pre-owned two-wheeler segment. In the coming years, DriveX will aim to strengthen its presence across India, followed by other geographies in due course," Karthikeyan added.

Maruti expects rural market to do better this year, too

Demand surge seen on better kharif sowing, normal monsoon

SRONENDRA SINGH

New Delhi, August 22

The rural market is going to do better this year as well since demand is growing with better kharif sowing and normal monsoon in most parts of the country, a top official at Maruti Suzuki India (MSIL) said.

Till July, the company has sold 2,01,487 vehicles in the rural areas and 2,67,884 units in urban areas in terms of retail sales, with a rural penetration of 43 per cent and a growth of more than 41 per cent.

Keeping pace with urban

"The rural market growth is similar to the urban market so far this year. Although the penetration for rural for MSIL is around 42.5 per cent, since monsoon has been normal in most parts of the country, I would expect rural to give good



Shashank Srivastava, Senior Executive Officer (Marketing and Sales), MSIL

numbers this year also, keeping pace with the urban growth," Shashank Srivastava, Senior Executive Officer (Marketing and Sales), MSIL, told *BusinessLine*.

Rural retails sales had recorded a 1.5 per cent y-o-y growth at 5,91,854 unit as against 5,83,363 units in FY21 – rural penetration at 43.6 per cent. However, urban sales were down 9 per cent y-o-y to 7,66,630 units (8,42,253).

Hatchback rules

In terms of segments, Srivastava said the demand for hatchback cars (like Alto, S-Presso, WagonR, Swift and Baleno) is

In terms of segments, Shashank Srivastava said the demand for hatchback cars (like Alto, S-Presso, WagonR, Swift and Baleno) is still higher in rural areas than those for sports utility vehicles (SUVs) compared to urban areas

still higher in rural areas than SUVs compared to the urban. The demand for CNG variants is also almost negligible in rural since CNG pumps have not yet penetrated there, he said.

When asked about the festival demand, Srivastava said, "In July and August, we have been seeing the highest-ever demand, which could not have been possible without the actual production. So, the capacity utilisation of the plants are between 93 and 95 per cent."

In July, MSIL produced 1,79,972 units of vehicles across all its plants compared with 1,67,825 units in the year-ago period.

British luxury carmaker McLaren to open first India showroom in Mumbai in Oct

AROOSA AHMED

Mumbai, August 22

The first retail store of the British luxury carmaker, McLaren Automotive, will be opened in Mumbai in October, the company has confirmed.

McLaren's range of supercars are designed at the McLaren Technology centre. The cars offers personalisation, high-technology and super lightweight engineering, combined with

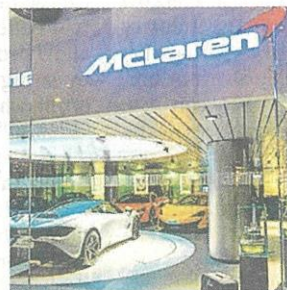
cutting-edge designs. With an entry into the Indian market, the company will mark its brand in the 41st global territory.

The Artura

Set to formally open the store in Mumbai in the third quarter of 2022, the carmaker will offer the breadth of its model range to Indian customers, including the Everyday McLaren GT and the marque's first ever high-performance hybrid – the Artura.

"India remains an important market wherein our fans and select clientele can enjoy the best of McLaren in Mumbai. Looking ahead, we will shortly welcome the Artura to India, the all-new high-performance hybrid supercar," Paul Harris, Managing Director – APAC and China, McLaren Automotive, said.

Further, McLaren has appointed Infinity Cars as its first offi-



McLaren has appointed Infinity Cars as its first official retail partner in India ISTOCKPHOTO

cial retail partner in India. Infinity Cars will operate the McLaren retail business under the McLaren Mumbai name. "We look forward to opening the McLaren Mumbai retail experience centre and offering customers an outstanding opportunity to engage with the brand," said Lalit Choudary of McLaren Mumbai.

GOVERNMENT POLICY

Business Line 30th August 2022

Industry may get transition period to implement Labour Codes

SURABHI

New Delhi, August 29

In what could help industry and employers ease into the new framework, the government is likely to provide a transition period to them for the implementation of the Labour Codes.

"The thinking is to provide about a two-month switchover or transition period from the date of the notification for companies and establishments to implement the Codes. This will ensure that it is done in a smooth manner, without too much confusion and problems on the ground," said a source close to the development.

Laying groundwork

A short transition period to lay the groundwork and adapt their systems to the new laws has also been a key suggestion of the industry, in recent discussions with the Ministry of Labour.

In discussions with industry, including a recent



Industry has asked for time to lay the groundwork and adapt to new laws

meeting with CII, representatives have indicated to the Labour Ministry that the provision of a 50 per cent cap on wages is acceptable, but they would like more clarity on the definition of wages. It has also requested that the new calculation of gratuity should kick in from the day the law is implemented.

A transition period will especially be required in case of a mid-year implementation of the Labour Codes, sources further indicated.

Implementation of codes

The Centre continues to remain keen on rolling out the

four Codes this fiscal and if possible, over the next few months.

"A mid-year roll out will mean that most companies will have to re-do their employment contracts. This will take some time but industry is eagerly awaiting the implementation of the Codes," said another source.

A staggered implementation of the Codes is also likely as a number of States are also ready.

In such a scenario, the Code on Wages and the Code on Social Security would be the first ones to be rolled out while the Industrial Relations Code and The Occupational Safety, Health and Working Conditions Code could be implemented later.

The Centre and States have also held discussions on the four Codes in the National Labour Conference last week, where there was a separate session on framing of rules and modalities for effective implementation of the Labour Codes.