

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 Line 2nd September 2022

August auto sales on fast lane

Cars, two-wheelers, CVs see growth as semiconductor situation improves

S RONENDRA SINGH

New Delhi, September 1

With the semiconductor situation improving, automobile companies have reported growth in their wholesale (dispatches to dealers) numbers in August on a yearly basis — this is not just for passenger vehicle (PV) sales but also two-wheelers and commercial vehicles (CVs).






In the PV segment, market leader Maruti Suzuki reported 30 per cent year-on-year growth in domestic sales at 1,34,166 units in August, compared to 1,03,187 units in same month last year.

Hyundai's performance

Similarly, Hyundai Motor India reported a year-on-year growth of 6 per cent at 49,510 units and Tata Motors witnessed 68 per cent growth at 47,166 units. Tata Motors has also grown multi-fold in its electric vehicle sales at 3,845 units during the month, against 1,022 units in the corresponding month last year.

According to industry veterans, the semi-conductor shortage started hitting hard

Time to vroom

	August 2022	August 2021	% change
Cars/passenger vehicles			
Maruti Suzuki India 	1,34,166	1,03,187	30
Hyundai Motor India	49,510	46,866	6
Tata Motors	47,166	28,018	68
M&M	29,852	15,973	87
Toyota Kirloskar Motor	14,959	12,772	17
Honda Cars India	7,769	11,177	-30
Kia India	22,322	16,750	33
MG India 	3,823	4,315	-11
Nissan India	3,283	3,209	2
Skoda Auto	4,222	3,829	10
Two-wheelers			
Hero MotoCorp	4,50,740	4,31,137	5
Honda Motorcycle & Scooter India	4,23,216	4,01,469	5
Bajaj Auto 	2,33,838	1,57,971	48
TVS Motor	2,39,325	1,79,999	33
Suzuki Motorcycle India	64,654	61,809	5
Royal Enfield	62,236	38,572	61
Commercial vehicles			
Ashok Lelyland 	13,301	8,400	58
Volvo Eicher	5,003	4,793	4
Tata Motors	29,313	26,172	12
M&M	21,492	8,841	143
Maruti Suzuki (Super Carry)	3,371	2,588	30
Tractors			
Escorts Kubota 	5,308	4,920	8
M&M	20,138	19,997	1

Source: Companies

in August last year, and has gradually improved over the last few months. "Industry numbers for August is 3,29,300 units in PVs, against last year's number of 2,60,450 units, which is 26.4 per cent year-on-year. For April-August,

the total number of PVs is 15.82 lakh units, against around 12 lakh units last year.

"So, April-August growth number is around 31 per cent year-on-year, which is fairly a healthy growth because we have touched more than 15

lakh units in the first five months of this financial year," Shashank Srivastava, Senior Executive Officer, Marketing & Sales, MSIL, told reporters here.

He said the first half of this year should end with 18.5-19 lakh units in the PV segment, and the indication is that the annual number would be around 37 lakh units against last year's sales of around 30.68 lakh units, a growth of around 21 per cent.

Utility vehicles maker Mahindra & Mahindra (M&M) reported a year-on-year growth of 87 per cent at 29,852 units last month, compared to 15,973 units in August 2021.

Toyota Kirloskar Motor, Kia India and Skoda Auto also recorded a healthy growth during the month. However, Honda Cars India and MG Motor India reported a decline in sales on a yearly basis, as volatility in supply chains continues to cause many production challenges.

In the two-wheeler segment, market Hero MotoCorp reported a year-on-year growth of around five per cent at 4,50,740 units in August, compared to 4,31,137 units in same month previous year. Honda Motorcycle & Scooter India also reported a year-on-year growth of five per cent.

The Economic Times 8th September 2022

Airbag Makers Pumped Up to Ramp Up Capacity

Industry size expected to hit \$1.25 billion in the next 1.5 years from \$500 million amid focus on increased safety

Ketan Thakkar & Ashutosh R Shyam

Mumbai: The Indian airbag industry is primed for a boost as fresh capacity comes on stream to meet the demand that will be created by the six-airbags-per-car rule that's set to be implemented.

Added to this, safety concerns have been heightened following the death of former Tata Sons Cyrus Mistry in a car crash.

Capacity will surge to about 25 million units from the current 5-6 million, which will create an industry of about \$1.25 billion in a span of 12-18 months from

\$500 million now. The world's top three airbag manufacturers — Autoliv, ZF and Joyson — are all building up capacity in India to cater to this emerging need.

"We are future ready both from capacity and capabilities perspective," said Mahendra Rajawat, MD of Joyson Anand Abhishek Safety Systems. "Joyson will be offering a global product in India at Indian cost. We are expanding our capacity by 10 times to create 5 million units over the next three years."

The Indian associate of the world's third-largest safety system supplier is looking at setting up a new plant for inflators either in south or north India and it has an aggressive localisation plan to serve this regulatory need.

"Our seat belt localisation is 80%, steering we have localised 100%, airbags we have a localisation level of 60%," Mahendra said. "With inflators getting localised, this is set to go up further." The US-based safety system supplier is

expecting business of about Rs 1,000 crore in 2023, with the incremental volumes coming from the six-airbag requirement.

The safety regulation is a step in the right direction, said Holger Klein, head of India and Asia Pacific region for ZF, which is supporting this with both capacity expansion and localisation.

"It is a very demanding task to have a cost-optimised localisation," he said. "With our localised inflators we will be able to offer a competitive offering. We want to bring our expertise and we will be benefiting from this new regulation."

Safety system companies are working to lower prices of airbags by increasing local content. Currently, six airbags will cost about ₹8,000-10,000 per vehicle for carmakers with 60% localisation as two critical components, the inflator and the fabric used for the device, are imported.

The localisation of the inflator will be key to lowering costs.

Going Full Throttle

Cos plan to ramp up capacity by 3-4 times to meet 6-airbag-per-car rule

Capacity will surge to about 25 m units from 5-6 m now in next few mths



Airbag manufacturers increasing localisation to reduce prices

Localisation currently at 60%; inflators and fabric are imported

But new rule could make production of inflators in India viable

Six airbags excluding tax may cost carmaker about ₹8,000-10,000 per vehicle

Foxconn in Talks with Govt for Battery Swapping Infra Foray

ON THE MARK Taiwanese contract manufacturer awaits regulatory clarity before finalising mkt entry

Dia Rekhi & Bharani V

Chennai: Taiwanese contract manufacturer Foxconn is holding a dialogue with the Centre on introducing its electric battery swapping infrastructure in India amid growing sales of electric vehicles across urban metropolises, officials aware of the talks said.

Foxconn executives had a meeting with government officials about two weeks ago, in which they expressed their interest in executing the market entry either with Taiwanese battery refuelling platform Gogoro, or individually, they said.

"The discussions were with the battery swapping division of Foxconn, which includes manufacturing of swapping stations, power electronics, battery packs, and so on," one of them told ET.

"Generally, their first preference is to do it through their partnership with Gogoro, which is what they have done in Taiwan, Indonesia, China, and some other markets as well. That is the plan for India too."

Foxconn did not respond to ET's emailed queries about its interest in battery swapping in India till press time Sunday.

Official think tank Niti Aayog had put out a draft battery swapping policy in April this year, envisaging interoperability across EV brands, standard battery pack specifications,

Powering Up

OFFICIALS SAY...

Foxconn execs met gov't officials two weeks ago

They expressed interest in executing market entry with Gogoro or individually

Discussions were with the battery swapping division of Foxconn

business models for service providers, and incentives for companies setting up the infrastructure.

Officials said Foxconn was waiting for regulatory clarity as the government's word on the dimensions for the battery packs would determine whether it can continue its



Foxconn is waiting for regulatory clarity on battery dimensions

Dimensions for the battery packs will determine its partnership with Gogoro

India presents one of the largest target markets for battery swapping, says a report

1.39 million+ EVs ply on Indian roads as of early August, as per road transport ministry data

partnership with Gogoro in India.

"They have been engaging to understand more on what is happening on the policy front (and) what is happening with respect to battery standards, more specifically battery dimensions, because the Indian government is looking to standardise the battery dimensions, which might or might not be the one that Gogoro uses," said the person quoted above.

The Centre has yet to release the final battery swapping policy.

Officials aware of Foxconn's dialogue with the government said the

company would enter India's battery swapping infrastructure even if the government-mandated dimensions do not match with Gogoro's infrastructure executed elsewhere.

In April last year, Hero MotoCorp and Gogoro had announced a strategic partnership to establish a battery swapping joint venture to bring Gogoro's battery swapping platform to India. The battery swapping market in India is one with immense potential.

As the second-largest two-wheeler and largest three-wheeler producer globally, India presents one of the largest target markets for battery swapping, said a report by the Centre's investment promotion agency Invest India and Nomura Research.



SOURCES SAY...



Foxconn will enter India's battery swapping infrastructure, even if

the government-mandated dimensions do not match with Gogoro's infrastructure

FOR FULL REPORT, GO TO www.economictimes.com

Business Line 13th September 2022

Over 3.5 m used cars sold in India in FY22; market valued at \$23 b

Demand grew across tier-2, -3 cities, says Indian Blue Book report

OUR BUREAU

Mumbai, September 12

Despite the pandemic impacting the automobile industry, the Indian used-car market witnessed growth and was valued at \$23 billion in FY22. The demand for used cars grew across tier-2 and -3 cities, according to the Indian Blue Book report.

More than 3.5 million units were sold in FY22 while more than 40 million cars were sold globally, according to the report. By FY27, India's used-car market is expected to touch 8 million units with a projected CAGR of 19.5 per cent.

Rise in supply

The industry also witnessed an increase in demand in the non-metros. While 60-65 per cent demand was seen there,



The demand in smaller towns is expected to grow at a CAGR of 30 per cent by 2026

the demand was between 35 and 40 per cent in metro cities.

Vehicle supply was at 65 per cent and was concentrated in metros such as Mumbai, Delhi NCR, Bengaluru, Chennai and Hyderabad. The supply of used cars in non-metros was at 35-40 per cent.

The demand in smaller towns is expected to grow at a CAGR of 30 per cent by 2026 compared to a 10 per cent in the top 40 cities in India.

"The government is investing in the mass transit system in metro cities. For tier-2 and -3

cities, the sources of mobility are two-wheelers, buses and personal vehicles. We see growth in tier-2 and -3 cities happening at a significantly higher rate than tier-1 cities. Brands in will also undergo rapid premiumisation," said Ashutosh Pandey, CEO & MD, Mahindra First Choice.

Economy drivers

"Economy is being driven from tier-2 and -3 towns. The organised used-car market share is expected to increase from 20 per cent in FY22 to 45 per cent in FY26," said Ashish Gupta, Brand Director, Volkswagen Passenger Cars India.

Automakers, dealers share tumultuous ties: FADA president

DEEPAK PATEL
New Delhi, 13 September

Automobile dealers and manufacturing companies have a tumultuous relationship because the latter's financial might has led to inequitable contracts between the two, said Manish Raj Singhania, president, Federation of Automobile Dealers Associations (FADA) on Tuesday.

Given the imbalances in contracts, FADA has prepared a model dealer agreement (MDA), which seeks to establish equity in the relationship, Singhania said, while addressing delegates at the Fourth Auto Retail Conclave.

Through this MDA, FADA has tried to address key issues that Indian auto dealers face, such as lack of protection when an OEM (original equipment manufacturer) exits the market, lack of clear repurchasing obligations on OEMs, and no clear indemnity for dealers, he mentioned.

MDA, which was launched at the conclave, was shared with senior executives of OEMs. Singhania asked Society of Indian Automobile Manufacturers (SIAM) to give its "wholehearted support" to get this MDA studied and implemented by OEMs.

"Dealers and automakers have a tumultuous relationship given the latter's financial might and relatively small size of dealers, who usually use their life savings to set up their dealerships," he mentioned.

He said FADA conducted a comparative analysis of agreements signed between dealers and auto firms across the world. "We found that OEMs (original equipment manufacturers) in India exercise tighter control over dealers' businesses," he noted. FADA represents over 15,000 automobile dealers having 26,500 dealerships across India.

E-2W, E-3W sales to grow at a faster pace than PVs, commercial vehicles: Report

OUR BUREAU

New Delhi, September 14

The total cost of ownership is likely to be more attractive for electric two- and three-wheelers (E2W and E3W) than for passenger or heavy commercial vehicles, a report said on Wednesday.

The report titled 'The future of mobility: Transforming to be ahead of the opportunity' by the Automotive Component Manufacturers Association of India (ACMA) and McKinsey said new E2Ws and E3Ws will account for 50 per cent and 70 per cent respectively of total sales by 2030.

Portfolio disruption

"Internal combustion engines (ICE) will continue to dominate the Indian passenger vehicle (PV) and heavy commercial vehicle (HCV) landscape, with slower electrification. Electric PVs and HCVs are expected to account for 10 to 15 per cent and 5 to 10 per cent of new vehicle sales respectively by 2030," the report released on the sidelines of the 62nd Annual



The total cost of ownership is likely to be more attractive for electric two- and three-wheelers

Session of ACMA said. According to early estimates, a transition to EVs could impact up to 50 per cent of ICE bill of material (BOM) components. This could disrupt the portfolio of incumbents in traditional ICE component categories. The disruption could be an opportunity too — creating multiple whitespaces for companies to cater to the new EV BOM needs and generate avenues to serve markets outside India, in both ICE and EV component categories.

These will represent new or expanded value pools, which players can capture by pivoting and diversifying with agility, it said.

The study outlined three

broad strategy frameworks which automotive component manufacturers could adapt — continuous improvement and expansion in traditional ICE play within India — a \$35-45 billion opportunity by 2030; broaden opportunities within the automotive market; and capture opportunities in automotive-like adjacent sectors (construction and mining equipment, rolling stocks for railways/metros, defence sector) — all of which are growing and have a sizable market.

The report further said that Europe and China are expected to be front-runners in this shift with the rest of the world following suit eventually, adding that the emerging markets India and China are likely to lead the overall automotive space with sales of passenger vehicles expected to rebound to peak levels by middle of this decade.

The long-term prospect for the industry remains strong despite near-term supply disruptions, it added

Business Line 9th September 2022

Retail auto sales may gather steam ahead of festival season

Sales rise 8% in August; FADA changes stance to 'optimistic'

OUR BUREAU

New Delhi, September 8

The Federation of Automobile Dealers Associations (FADA) on Thursday said with supplies improving, the passenger vehicle (PV) segment will see the best ever festival season (Navratri and Diwali) in a decade, and there will be an uptick in the two-wheeler (2W) space.

"While September brings with it Onam and Navratri, it also brings the 15-day Shraadh, generally considered an inauspicious period for buying vehicles.... Dealers expected a good Ganesh Chaturthi in August, but it was not encouraging. In spite of a good monsoon, the festival season began on a dull

Revving up

Category	August '22	August '21	y-o-y %
Passenger vehicles	2,74,448	2,57,672	6.51
Two-wheelers	10,74,266	9,89,969	8.52
Three-wheelers	56,313	30,748	83
Commercial vehicles	67,158	54,107	24
Tractor	49,305	72,208	-32
Total	15,21,490	14,04,704	

Source: FADA

note during Ganpati," Manish Raj Singhania, President, FADA, said in a monthly report.

Retail sales data

Sharing the monthly data on retail sales, Singhania said with the government's continuous push for infrastructure spending, the industry will also see an uptick in the commercial vehicle (CV) space and, overall, FADA changed its stance from 'cautiously optimistic' to 'optimistic' as it enters the festival period.

The industry body said retail automobile sales in August went up 8 per cent year on year (YoY) at 15,21,490 units across categories compared with 14,04,704 units in the corresponding month last year.

PV sales grew by more than six per cent at 2,74,448 units as against 2,57,672 units in August 2021. Similarly, 2W sales rose by more than eight per cent to 10,74,266 units (9,89,969 units).

Retail sales of three-wheelers (3Ws) surged 83 per cent to

56,313 units (30,748 units). This was mainly contributed by e-rickshaw (passengers) at 28,306 units (versus 11,133 units in August 2021).

"It (3W sales) has now equalled 2019 sales for the first time. Electrification is also the highest in this category with e-rickshaws leading the way. There is a clear indication that customers are now preferring electric vehicles over internal combustion engine (ICE) vehicles as ICE 3W continues to see double-digit de-growth compared to pre-Covid levels.

CV segment

The CV segment continued to see a pick up in economic activities post monsoon. There was a 24 per cent YoY growth at 67,158 units during last month compared with 54,107 units in August 2021.

Tractor sales, however, declined 32 per cent to 49,305 units in August (72,208 units).





AUTO SHIFT Deeper commitment to localisation, cleaner technology topped focus areas of stakeholders – bureaucrats & industry – at annual conclave of automotive component cos held in New Delhi on Wednesday

‘Action to be Taken Against Auto Cos Pushing for Import of Parts’

Govt supports localisation, to examine matter if imports are at uncompetitive prices: Goyal

Sharmistha Mukherjee & Ketan Thakkar

New Delhi: The government warned multinational auto companies of serious action if they pressure component makers to import from preferred suppliers in areas where there is an opportunity to localise.

“In case any auto company is pressurising any auto component manufacturer to import the components instead of localising them, when they have the technologies by which they can localise, I would urge you to please come straight to me and talk without hesitation,” said Piyush Goyal, minister for commerce & industry at the annual conclave of the Automotive Component Manufacturers’ Association (ACMA) adding, the government will be taking “serious note” of that effort to force the components to be imported from preferred suppliers only.

Goyal added

in the event these imports occur at prices which may not necessarily be competitive, the government will examine the matter. “I’d be happy to take cudgels on your behalf,” he said. Goyal informed it was brought to his attention some auto ancillaries, who have collaborations with other companies around the world are also facing pressure from the joint venture partners.

FULL SUPPORT

The govt will fully support fair play and fair business dealings between Indian companies and foreign companies...

“This is a matter that the government will take and view very seriously and if at all, any joint venture partner is unhappy, he’s free to leave. I’m sure our Indian companies will be in a position to give them a fair and honorable exit,” he said.

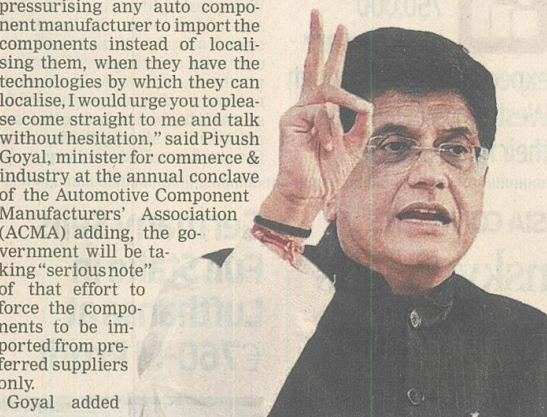
The minister held if Indian companies are being forced to agree to unfair terms, the government will take up the matter with counterparts in other countries. The government recently took reciprocal action against Indonesia over specific auto parts in the downstream industry, he said.

“And I can assure you, the government will fully support and back fair play and fair business dealings between Indian companies and fo-

reign companies because India has never discriminated...we’ve allowed them the equal access to the large Indian market. And in that spirit, I think it’s only fair that our companies also get a fair deal and equal opportunity when it comes to doing, growing and expanding our business or in the event of a dispute when it comes to owning our own business,” said Goyal.

The Indian government recently announced ₹44,038 crore production-linked incentive (PLI) schemes for advanced chemistry cell batteries, auto and auto components makers to aid manufacturers in developing India into an attractive alternative source of high-end auto components. Companies across the world are looking to rejigging their supply chain post pandemic.

“They are looking at trusted partners, they want to see a resilient supply chain. “US, Japan, South Korea, Australia, companies across sectors, investors, start ups, they are all looking at the great India opportunity. I don’t think there is any comparable opportunity of size and scale in India in the world,” said Goyal.



MINISTRY HAS RECEIVED 206 PROPOSALS FOR ROPEWAY: GADKARI

‘Every District to Have 3 Vehicle Scrapping Units’

PTI

New Delhi: Union Road Transport and Highways Minister Nitin Gadkari on Wednesday announced plans of having at least three registered vehicle scrapping facilities in every district across the country. Addressing the annual session of Automoti-

ve Component Manufacturers Association of India (ACMA), Gadkari said the road ministry has received 206 proposals for ropeway, cable car and funicular railway.

“In every district, we can open 3 registered vehicle scrap-

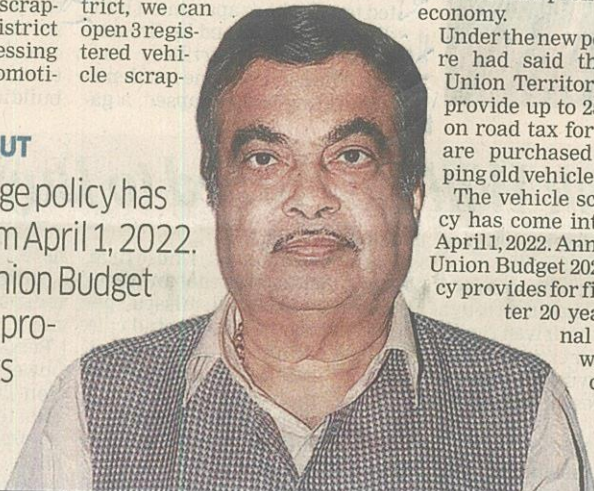
ping facilities,” he said. Prime Minister Narendra Modi had launched the National Vehicle Scrapage Policy in August last year and had said it will help phase out unfit and polluting vehicles and also promote a circular economy.

Under the new policy, the Centre had said the states and Union Territories (UTs) will provide up to 25% tax rebate on road tax for vehicles that are purchased after scrapping old vehicles.

The vehicle scrapping policy has come into effect from April 1, 2022. Announced in the Union Budget 2021-22, the policy provides for fitness tests after 20 years for personal vehicles, while commercial vehicles will require it after the completion of 15 years.

TIME FOR ROLLOUT

The vehicle scrapping policy has come into effect from April 1, 2022. Announced in the Union Budget 2021-22, the policy provides for fitness tests after 20 years for personal vehicles



To make batteries for EVs, auto industry must adopt new technologies: Amitabh Kant

Alternative fuel adds a new dimension to mobility space, presents a challenge with an opportunity, say industry experts

OUR BUREAU

New Delhi, September 14

Electric battery manufacturing will shift the auto industry towards adopting new technologies and India can build the entire value chain, Amitabh Kant, G20 Sherpa, said here on Wednesday.

Speaking at the inaugural session of the 62nd Annual Session of the Automotive Component Manufacturers Association of India (ACMA), Kant said, "If India can build the entire value chain and produce batteries on its own, it will be a game changer for the country as EVs are driving the future of mobility."

"I am a believer that India's electrification journey is to be about two and

three-wheelers as they make up 80 per cent of the total sales of vehicles in India. We need to target 100 per cent electrification in the next four years," Kant added.

Increase localisation

Speaking at the session, Kenichi Ayukawa, President, Society of Indian Automobile Manufacturers (SIAM), said to ensure a long-term sustainable growth, the auto industry should focus on increasing localisation, higher levels of quality, futuristic technology and investment in research and development.

"We have to go deeper and find ways to localise the smallest of the components, including raw mater-



Amitabh Kant, G20 Sherpa

ial, wherever possible... Indian auto industry has gained a large scale, both in the domestic market and exports. At this big scale, quality holds a significance. Any small mistake can be harmful not only for the industry but for the brand 'Make in India'," said Ayukawa.

He said as the Prime Minister has committed to a target of net zero carbon emission by 2070 and a 45 per cent reduction by 2030, the industry should put ef-

fort and invest in all feasible futuristic technologies. On R&D, he said, "I would encourage significant investment in the area of research and development, contributing towards making India an R&D hub for the world."

Ayukawa, the Managing Director at Maruti Suzuki India, said, "I always tell my supplier partners at Maruti Suzuki, that re-investing in the core business is very important. It not only strengthens your financials but also improves your ability to deal with challenges."

"With electric mobility gaining traction, the government is also propagating several other technologies such as biofuels, CNG, hydrogen fuels... This adds a new dimension to the mobility space and presents a challenge with an opportunity," said Sunjay Kapur, President, ACMA.

The Economic Times 13th September 2022

Auto Cos on Course to Sell about 1 m Vehicles this Qtr

Sustained demand and new launches may drive passenger vehicle sales, making ongoing quarter best-ever for cos

Sharmistha Mukherjee & Ketan Thakkar

New Delhi: Indian automakers are set to head into the main festive season with bumper sales of about a million passenger vehicles in the ongoing quarter, riding on a slew of new launches and sustained consumer demand.

Record sales this quarter are expected to push up the volume for calendar year 2022 by nearly half a million units over initial projections, which were already for all-time high volumes. Sales of cars, utility vehicles and vans this calendar year are now expected to close around 3.85-3.90 million units, up 25-27% over last year.

As many as 6,71,000 passenger vehicles have already been sold in the first two months of this quarter. With an improvement in component supplies, dispatches are expected to be 3,25,000-3,35,000 units this month, enabling wholesalers to breach the 1-million-

In Top Gear

PV sales expected to hit record high of **3.85-3.9 m** units in 2022

Strong sales to lift industry growth rate to **25-27%** this year, against an initial estimate of **12-14%**

PV INDUSTRY'S BEST 3 YEARS

2018
33,94,712

2017
32,29,672

2021
30,82,421

*Wholesale figures in units



mark for the first time ever in a quarter.

Festive sales are also expected to set new records, said industry executives.

The previous peak for a quarter was 9,33,000 units, recorded in the January-March quarter of 2021. All-time-high sales for a year were recorded in 2018 at 3.89 million passenger vehicles. These are dispatches from factories to dealers.

Market leader Maruti Suzuki said it was currently utilising 94-95% of its available capacity to build stocks for deliveries in the upcoming festivals of Nav-

ratri and Diwali.

Shashank Srivastava, senior executive director (marketing and sales) at Maruti Suzuki, told ET that the company had pending orders of 4,17,000 units, with as much as 40% of these coming in for SUVs—the newly launched Brezza and the soon-to-be-launched Grand Vitara.

"Demand remains strong. Festive sales should be good this year if automakers can produce vehicles in line with customer demand patterns," said Srivastava.

For full report, go to www.economictimes.com

PRESS REPORTS ON ELECTRIC VEHICLE

Business Standard 1st September 2022

E-scooter makers near inflexion as August registrations go up

Spurt was led by Ather Energy that saw fourfold increase in registrations

SURAJEET DAS GUPTA
New Delhi, 31 August

Electric scooters (e-scooters) saw sharp increase in registrations in August — going up by over 10 per cent over July — after seeing falling/nominal growth numbers month-on-month since May this financial year (2022-23, or FY23).

The number of e-scooters registered went up from 33,099 in July to 36,463 on August 31, based on the data of eight companies, according to figures from the VAHAN website. The statistics do not include incumbent two-wheelers like Bajaj Auto and TVS Motor Company.

The spurt in growth was led by Bengaluru-based Ather Energy that saw fourfold increase in registrations in August, after the launch of its new models late July.

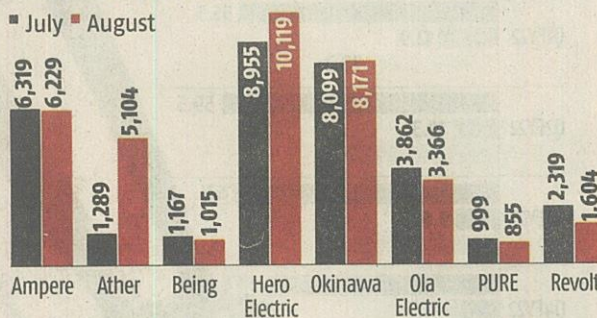
Hero Electric has been able to hit the 10,000-plus-mark once again in August after over four months. It had breached the 13,000-mark in April, but chip shortage wreaked havoc on the company and its sales.

Ather was clearly the star as it saw its registrations touch a record 5,104 in August, compared with a minimal 1,289 in July. This is the highest monthly registration number the company has hit since its launch. The company unveiled the Gen 3 450X, at a starting price of ₹1.39 lakh (ex-showroom Delhi), and the Ather 450 Plus Gen 3 scooter at ₹1.17 lakh.

Says Ravneet S Phokela, chief business officer of Ather Energy: "We have registered the highest-ever monthly sales of 6,410 scooters in August. The demand has always been strong, but we have been grappling with supply-chain constraints. It is



CHARGING AHEAD



Source: VAHAN

now that all the hard work on ramping up the supply chain is beginning to pay off, and we see growth in our production numbers."

Phokela points out that a growing momentum in production will unplug the waiting period for deliveries. Along with footprint expansion, this will help it along further as the festival season kicks into gear. Keeping Ather company is Hero Electric — the market leader in the electric two-wheeler industry saw its registration numbers go up 13 per cent end-August.

A sharp increase in August registrations has come at a time when the total two-wheeler registrations have remained stagnant — falling nominally by far less than a per cent. The combination, however, has helped e-scooters shore up their share

of total two-wheelers (internal combustion engine, or ICE, and electric) in August to around 3.5 per cent, based on VAHAN data.

This is somewhat close to the best month in FY23 — in April, it hit 3.58 per cent, with registrations of a record 43,348. After April, the share fell to as low as 2.65 per cent in May, edging back to 3.1 per cent in July.

Analysts, however, say if e-scooter sales of Bajaj Auto and TVS — which are around 5,000 per month (if they are assumed as registrations) — are taken into consideration, the share of e-scooters will touch 4 per cent.

This is quite close to what electric vehicle makers regard as the point of inflexion after which the conversion from ICE into electric will be quicker.

Nagesh Basavanhalli, executive vice-chairman, Greaves Electric Mobility (erstwhile Ampere Vehicles), has projected that the tipping point for the e-scooter industry to see large conversions from ICE into electric is expected to come by the end of FY23 when it will hit 4-5 per cent of total two-wheeler sales (based on the base of 2021-22, or FY22) — or simply sell 700,000 e-scooters.

But the downside is that the increase in registration is skewed only because of encouraging performance by a few companies. Registrations for five of the eight e-scooter players were down, with Ola Electric falling to the fifth place, replaced by Ather in the fourth spot, with over 3,300 registrations — lower than what they were in July.

But with the launch of Ola's new affordable model at ₹99,000 on August 15, analysts say they are expecting a substantial uptick in numbers in September, which could help in increasing the overall e-scooter penetration further.

E-scooter makers, however, say the market has grown sharply if viewed from a yearly perspective, albeit incidents of some scooters going up in flames and shortage of semiconductor chips and cells of batteries being a dampener.

However, the sales of e-scooters have jumped from a mere 40,000 in 2020-21 to a sixfold increase of 250,000 in FY22. In FY23, analysts expect them to hit 700,000 — a growth of 2.8x over the previous financial year (FY22).

The reasonable expectation now among most e-scooter makers is that about 30-35 per cent of the total scooter market will shift to electric by 2027.

Challenging times ahead for e-buses

High prices, lack of raw materials, poor charging infra, limited financing and low product availability could inhibit the expected growth in the EV sector



Capacity expansion is the need of the hour as e-bus adoption is expected to be faster than electric cars in the coming years

RISHI RANJAN KALA

As India charts its clean energy transition, particularly through e-buses in the transport sector, the domestic electric vehicle (EV) manufacturing ecosystem stares at a challenging landscape.

Market players and analysts assert that the industry is grappling with high prices, lack of raw materials, poor charging infrastructure, limited financing and low product availability. Transport accounts for around 13 per cent of India's CO₂ emissions and the bulk of energy consumed.

A NITI Aayog report predicts that, EV sales penetration for buses will be 40 per cent by 2030. For comparison, KPMG in a recent report said that in FY20, e-buses accounted for 1.5 per cent (600 units) of the total bus sales. In FY21, it rose to 14 per cent (1,050 units), further growing to 19 per cent, or roughly 2,200 units in FY22.

Tenders have already been floated for 5,500 e-buses by the government with plans for another 50,000 in the coming years.

Abhijeet Sinha, National Project Director, National Highways for EV (NHforEV) said that EV's market value is

predicted to increase from \$94.3 million in 2020 to \$136 billion by 2025, at 48.8 per cent CAGR during 2021-2025. Presently, the manufacturing capacity is around 8,000-9,000 buses.

A top EV industry executive summarised the scenario as, "We can see huge demand coming, but where is the capacity? Producing 55,000 e-buses is ambitious, but meeting it requires huge efforts. It is possible, in say 7-8 years, but it all depends on capacity and raw materials."

Challenging landscape

The e-bus market is expected to see an exponential growth, emphasises Sinha, adding that one of the issues is lack of charging infrastructure for the inter-city transport. Besides, the capacity of e-bus production in India is still at a nascent stage.

"Like other EVs, e-buses face similar issues in easy adoption — financial and operational challenges. NHforEV addresses these challenges through the AHM model and tech trial runs between Delhi-Jaipur and Delhi-Agra to understand the charging requirements, roadside assistance and customer demands during long drives," Sinha added.

Battery manufacturing start-up,

Neuron Energy's Co-Founder, Pratik Kamdar, expects e-bus adoption to be faster than 4-wheelers. "Transportation and running e-buses may be within the city where charging infrastructure is built in the depot. We have depots in cities like Delhi, Bangalore and Mumbai. If they convert depots to EV-enabled, the problem can be solved," he added.

However, Kamdar said that capacity expansion depends on 2-3 aspects. One is the availability of finance for small groups or newer start-ups.

"Besides, there is an issue of component supply. So you will require a very strong power train for e-bus. Battery used in e-bus is also different from 2-wheelers and 3-wheelers as it is not only used to run the vehicle, but also the AC. So load is pretty high and keeping that in mind, the power train is a key component in such vehicles. To make them, there is a semiconductor shortage globally," he explained.

Another issue is price. Lithium metal prices have increased by 150-200 per cent in the last 3 months, since the Russia-Ukraine war. The costs are so high that there might be a case where someone must have quoted a price in the tender which they might not be able to meet any more, he added.

SALES UP 84% OVER LAST YEAR

EVs to Hit Top Gear in FY23, Sales Set to Cross Million Mark

Electric 2-wheelers poised to rise 117%, followed by 3-wheelers at 12%

Lijee.Phillip@timesgroup.com

Mumbai: The current fiscal year is set to be a watershed for India's electric vehicle industry. If the past five months are an indicator, EV sales will cross a million units in FY23, up 84% over last year.

Leading the race are electric two-wheelers, poised to rise 117% to 750,000 units, followed by three-wheelers at 12% to 200,000 units. Electric passenger vehicles, a segment with a small base but two major players in Tata Motors and MG Motors, is set to surge 138% to 45,000 units. The e-buses category, which is seeing sales traction from state transport corporations, is expected to reach 5,000 units in FY23. All segments, in the first five months of the current fiscal, have almost equalled FY22's total sales, according to the Society of Electric Vehicle Manufacturers (SMEV).

Against global markets, India has a long way to go in electrification. While it is showing growth, penetration is still low, said Ravi Bhatia, president of Jato Dynamics. In India, e-two wheelers still account for just 3% of total ICE two-wheelers, and when it comes to passenger cars, EV contribution is just 1%.

In contrast, pure battery-operated electric vehicles account for 50% of the Chinese two-wheeler market, and 26% of its passenger cars. In Europe and the US, electric cars account for 11% and 5%, respectively of the total market, Jato Dynamics estimates.

However, experts see India taking to electric vehicles in a big way. At a recent event, Prime Minister Narendra Modi said that it was likely that the EV sector would fast track growth of the entire auto ecosystem.



Going Green

ELECTRIC 2-WHEELERS

FY22	3,45,102
FY23 (till Aug)	2,76,357
FY23*	7,50,000

ELECTRIC 3-WHEELERS

FY22	1,77,874
FY23 (till Aug)	1,32,823
FY23*	2,00,000

ELECTRIC CAR

FY22	1,77,874
FY23 (till Aug)	1,32,823
FY23*	2,00,000

ELECTRIC BUS

FY22	1,193
FY23 (till Aug)	900
FY23*	5,000

*Projected sales/Source: SMEV

The recent exponential growth — from just 5,900 units in FY21 for passenger cars — has been spurred by a favourable policy environment, positive word of mouth from existing customers, practical product options with better ride and handling vis-a-vis ICE cars, increasing awareness of home charging and availability of public charging.

"We have been receiving over 1,000 month-on-month bookings for our ZS EV, which encouraged us to develop another EV priced between ₹12 and 16 lakh," said Rajeev Chaba, MD, MG Motor India. The company expects 25% of its total sales for the FY23 to come from the existing ZS EV and another vehicle set to launch.

Tata Motors is also bullish, with plans to launch 10 new models, targeting a contribution of 25% in five years.

Low Hanging Fruit >> 7

Low Hanging Fruit

>> From Page 1

"As on YTD we hold 88% market share driven by strong response to Tigor EV, Nexon EV Prime and Nexon EV Max," said Shailesh Chandra, MD, Tata Motors Passenger Vehicles and Electric Mobility. But the real driver of India's electrification will be 2- and 3-wheelers, said Sulajja Firodia Motwani, chief executive of Kinetic Green Energy & Power Solutions. "Electric scooters and three wheelers are the 'low hanging fruits', as these are used by the masses for last-mile connectivity for its low cost of operations," she said.

Sohinder Gill, CEO, Hero Electric, and director general of industry lobby group SMEV, expects that in the next two years, there will be more electric 2-wheeler product launches, at competitive price points which will improve penetration. In the first half of 2022, sales of electric cars in China grew by 94%. Europe saw a growth of 30%, USA at 48%. E-passenger cars in India in the first 5 months grew by 322%, according to JATO estimates.

Since India is a market of small and affordable cars, electrification will take longer, say experts, since a majority of the consumers are more price sensitive than their counterparts in Europe or USA. In these markets the average price of e-cars is Rs 37-45 lakh. At the same time, governments have actively worked on providing high incentives to boost the electric vehicle demand, said Bhatia. With EV penetration expected to go up, the battery manufacturing segment remains a critical cog in the overall EV ecosystem.

Achieving economies of scale in battery manufacturing will remain critical in lowering the cost of an EV and helping achieve pricing parity with ICE vehicles, today the biggest deterrent. ICRA estimates investments in cell manufacturing will exceed \$9 billion.

At present, battery cells are not manufactured in India, and thus most OEMs rely on imports, and manufacturing operations in India are limited to the assembly of battery packs, said Shamsher Dewan, Senior Vice President & Group Head - Corporate Ratings, ICRA. China dominates battery manufacturing at almost 80%.

CO LOOKING TO ROLL OUT 10 NEW PRODUCTS OVER NEXT 3 YEARS

HOP Electric, Vendors Plan ₹1k-cr EV Park in Rajasthan

Sharmistha.M@timesgroup.com

New Delhi: Electric mobility solutions provider HOP Electric Mobility, along with vendors, is looking to invest ₹1,000 crore in the next three years to set up an electric vehicle manufacturing park in Neemrana, Rajasthan.

The company is acquiring 60 acres in Neemrana for setting up a second manufacturing facility, founder and chief executive Ketan Mehta told ET. "The first phase of the facility will be commissioned next financial year." Its current manufacturing facility, with a capacity to produce 180,000 two-wheelers a year, is in Jaipur.

A venture of Rays Power Infra, HOP Electric is one of the three new non-automotive investors to

SECOND FACILITY



Co is acquiring 60 acres in Neemrana for setting up a second manufacturing facility

have qualified under the government's production-linked incentive scheme for original equipment manufacturers of electric vehicles earlier this year. Under the scheme, it has committed an investment of more than ₹2,000 crore in five years.

On Monday, the company launched an electric motorcycle priced at ₹1.25-1.40 lakh (ex-showroom). It has a range of 150 km on a

single charge and delivers a maximum speed of 45 km/hour.

"As much as 70% of two-wheelers sold in the Indian market are motorcycles. With larger tyres, form factor, they offer much more comfort on long rides. We believe a similar proportion will come in for motorcycle sales in the electric two-wheeler segment", said Mehta. HOP Electric currently has on offer two electric scooters — HOP LEO and HOP LYF. The scooters deliver a range of 70-120 km and are priced ₹72,000-95,000 in retail, depending on the state. It is working on converting the two models into high-speed versions over the next few months. To shore up volumes, the company is looking at launching 10 new products over the next three years.

Business Line 7th September 2022

Murugappa Group's EV journey begins with Montra autorickshaw

Starting at ₹3.02 lakh, the three-wheeler will be available in three variants

OUR BUREAU

Chennai, September 6

Murugappa Group's electric vehicle company TI Clean Mobility (TICM), a subsidiary of the group's ₹12,060-crore engineering company Tube Investments of India, has introduced its features-packed Montra electric autorickshaw, marking the group's foray into the electric vehicle segment.

Described as "Super Auto" by the company, the Montra electric passenger three-wheeler comes at a starting price of ₹3.02 lakh (ex-showroom post-subsidy) and will be available in 3 variants — ePX, ePV and ePV 2.0, with battery capacity of 7.66 kWh, 7.66 kWh and 10 kWh respectively.

While the certified range for ePX and ePV is 152 km, the typical driving range is pegged at 118 km (+/- 5 km). For ePV 2.0 the ARAI-certified range is 197 km, and the typ-



Arun Murugappan (right), Executive Chairman, Tube Investments of India, with Sushant Jena, Business Head, Montra Electric 3W, and KK Paul, MD, TI Clean Mobility, at the launch in Chennai BIJOY GHOSH

ical driving range is 155 km (+/- 5 km). They also promise peak torque of 60 Nm and a top speed of 55 kmph. The first two variants will take about 4 hours for a full charge (0-100 per cent).

Smart tech

The E3Ws come equipped with industry-first multi-drive modes for a better economy along with park assist mode for better manoeuvrability through city traffic. They offer car-like seats and are loaded with telematics and

apps for both driver and commuter, available in English and other languages.

Showing promise

The delivery is expected to begin in October as the company is gearing up to commence production at its Ambattur facility in Chennai, which will have a capacity to produce 50,000 units a year as of now. TICM has developed a distribution network in 40 locations and it will be increased to 100 by the end of this fiscal.

More Exits at Tesla as EV Firm's India Interest Tails Off

US firm's India project is not completely dead as of now as it is yet to fold its B'loru office

Pranav.Balakrishnan
@timesinternet.in

Bengaluru: More executives have quit Tesla Inc as its India business plans continue to face uncertainty.

Three executives of the original 12-member India Tesla team have departed the US-based electric car-maker since country policy head Manuj Khurana quit in June, people in the know of the matter told ET. The continued exodus of executives signals the waning interest of the Elon Musk-led company in the Indian market, they said.

Among the latest to leave Tesla India team are its head of charging Nishant, legal head Nitika Chhabra, and sales executive Ankit Kesarwani.

One of the sources cited above, however, said the Tesla India project is not completely dead yet as the company is yet to give up its office in Bengaluru and the registered legal entity in Karnataka.

Tesla in June had elevated its HR head Chithra Thomas as additional-director of its India entity, according to regulatory filings with the corporate affairs ministry (MCA). Thomas was made the additional director after Prashanth Menon, who was heading the Indian market, relocated out of the country. Thomas being made the director indicates that the company has not fully given up on India, sources said. "Currently, the company's India unit is in its skeletal form," one of the people cited above said. Tesla did not respond to queries sent by ET till press time Sunday. Tesla tried hard to lobby the Indian government to reduce import duties for electric vehicles (EVs), which can go up to 100%, but failed in its attempt. Musk has tweeted in the past that he would prefer to sell cars in India first before setting up a manufacturing plant in the country. "Tesla may look at importing cars in the future and selling it but currently the India entry plan looks stalled," said a person aware of the matter.

ET had reported on May 5 that Tesla employees were reassigned to work for the larger Asia Pacific (Apac) market following the dead-

MUSK'S TWEETS

Musk has tweeted in the past that he would prefer to sell cars in India first before setting up a manu-



BIG U-TURN



NEWEST EXIT AT TESLA
Tesla India team head of charging **Nishant**

Legal head Nitika Chhabra	Sales executive Ankit Kesarwani
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SOURCES SAY...

Tesla's India unit is in its skeletal form at present	Co may look at importing cars in the future and selling it
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Currently, the India entry plan looks stalled

JEFFREY SMART, *Bus terminus*

lock with the government. Tesla started hiring in the country last year and Khurana was its first employee here. Tesla was widely expected to sell its most affordable car, Model 3, in India, but the high import duties would put the car in the luxury category, out of reach of the masses. Tesla's plan to enter the country has been on hold since 2019 as India levies a 60% import duty on EVs priced at \$40,000 or lower. It also levies a 100% duty on EVs priced at more than \$40,000.

Model 3 is likely to cost around ₹60-70 lakh in India. It is expected to compete with the Mercedes E or BMW 5 series in the midsize luxury car segment. If the US company decides to bring in its more expensive Model S, or its luxury SUV Model X — both are expected to cost around ₹1.5 crore — that might come in as CBUs.

(For full report, go to www.economictimes.com)

The Times of India
8th September 2022

Kinetic Green launches in-house e-scooter 'Zing'

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Pune: The electric mobility firm Kinetic Green has announced the launch of its Zing range of high-speed scooters through its 300-plus dealer network across the country.

The company added that a number of new launches in the electric mobility space are scheduled through the rest of the financial year, including in-house and licensed designs.

Kinetic Green added in a statement that the new scooter is equipped with a 3.5 kWh lithium-ion battery, with a range of 125 kilometres per charge.

The company has also teamed up with multiple banks and NBFCs for consumers to finance the scooter's Rs 85,000 price, including the union government's FAME subsidy.

The company further added that they have more launches planned in the coming months, and is banking on its experience in manufacturing affordable scooters for the Indian market, including bringing back its famous Luna brand of scooters as an electric two-wheeler.

Company says it has a number of new launches in the electric mobility space scheduled through the rest of the financial year

"The company has aggressive plans to expand the portfolio with multiple offerings in high-speed scooters and our revolutionary e-Luna on the way for 2022-2023. Kinetic group has tremendous experience in the two-wheeler space, in developing advanced yet affordable two-wheelers," said Sulajja Firodia Motwani, founder and CEO, Kinetic Green.

Kinetic Green is also scheduled to roll out electric scooters under its partnership with the Chinese EV firm Aima, with the latter signing an agreement with Kinetic to assist in design modifications and allied support for Kinetic to manufacture the scooters for the Indian market.

A source added that those scooters are expected to be rolled out in the initial months of 2023.

August EV sales up 11% aided by two-wheelers

G BALACHANDAR

Chennai, September 4

Electric vehicle (EV) registrations reported the highest-ever monthly number in August 2022 as sales of battery-powered vehicles appear to be entering a stable growth line with a month-on-month increase since May 2022.

The total EV registrations (all segments included) recorded a 11 per cent m-o-m increase at 85,911 units in August (77,686 in July). Compared to August 2021, when 29,127 units were registered, the volumes grew by about 195 per cent, show Vahan Dashboard data.

According to estimates by JMK Research, total high-speed electric two-wheeler registrations saw an increase of 13 per cent at about 51,500 units in August as against 45,560 units in July and about 14,700 units in July 2021.

Hero retains pole position

Hero Electric sold nearly 10,479 units, retaining its market leadership. Okinawa managed to maintain its No 2 position with registrations of 8,557 units. Ampere vehicles reported a total registration of 6,399 units.

Meanwhile, Ather Energy's electric two-wheeler registrations stood at 5,258 units, according to Vahan Dashboard. However, the company claimed to have sold 6,410 units during the month. The company said the demand remained strong, but it was grappling with supply chain constraints. Now, with the ramping up of the supply chain, the company has seen an increase in production.

"This growing momentum in production will ease the waiting period for deliveries, and that coupled with the ongoing distribution footprint expansion sets us up well for a great festive season," Ravneet S Phokela, Chief Business Officer of the



Ather Energy's electric two-wheeler registrations stood at 5,258 units

company, said. TVS Motor's registration stood at about 6,300 units, while Ola Electric sold about 3,450 units and retained their number five and six positions, respectively. Bajaj Auto's electric two-wheeler registrations stood at about 2,560 units.

"One of the trends to be noticed here is that Ola Electric, Jitendra EV Tech and Pure EV, which have witnessed a decline in sales, are also the ones whose electric scooters have caught fire in the recent past," pointed out JMK Research report.

Registrations of electric passenger three-wheelers and cargo-type three-wheelers stood at 29,330 units (10 per cent rise m-o-m) and 2,690 units (down marginally from July figures), respectively.

Tata Motors' sales fall

The cumulative sales of electric cars in August stood at 4,325 units, reporting a marginal increase over July volumes.

Although Tata Motors remains the major player with a significant market share, the company's EV sales declined by 4 per cent m-o-m. Barring Nissan, Tata Motors and Mahindra & Mahindra, all other electric car OEMs witnessed a marginal increase in their sales. The share of electric cars in total EV registrations was about 5 per cent, said the report.

Mahindra electric SUV journey begins with launch of XUV400

OUR BUREAU

Chennai, September 8

Mahindra & Mahindra on Thursday unveiled its first electric SUV- XUV400 as the domestic SUV major kicked off its electric vehicle journey on the eve of World EV Day.

The new 4.2-metre electric SUV, which promises a range of 456 km on a single full charge, will compete in the C-Segment, which clocks a total volume of 32,000 units a month.

"The company will announce the price in January 2023 when bookings will commence. Deliveries will begin by the end of January. Since it will be a segment creator, we will focus on customer engagements as well as creating experiences till December," said Rajesh Jejurikar, Executive Director-Auto & Farm Sectors, M&M, said during the global unveiling of XUV400 at the company's R&D campus



The electric SUV promises a range of 456 km on a single full charge

Mahindra Research Valley near Chennai.

The new electric SUV will accelerate 0-100 kmph in 8.3 seconds and top speed of 150 kmph. XUV400 comes with best-in-class battery pack of 39.5 kWh and DC charging which promises charging of 0-80 per cent in 50 mins. Also, it has incorporated more than 60 connectivity features.

Tie up for charging

The company will soon announce its charging tie-up. It is in advanced stage of discussion with 3 charging players.

XUV400 also comes with long wheelbase of 2600 mm and best in class boot space of 378 litres/418 litres (up to roof).

The company had indicated that it would roll out electric SUVs under two EV brands - XUV and BE and XUV400 is the first EV product under its legacy XUV brand.

Mahindra will roll out electric products in B & C segments of the SUV market.

XUV400 will be launched across 16 cities under Phase 1 strategy.

PRESS REPORTS ON TWO-THREE WHEELERS

The Economic Times
3rd September 2022

IN PARTNERSHIP WITH BIRD GROUP

Lambretta Coming Back to India with Premium Scooters

Ketan.Thakkar@timesgroup.com

Mumbai: Lambretta, the retro workhorse that had a reassuring presence both on Bollywood screens and inner-city roads through the 1960s, is making a comeback in the country where the sturdy scooter was once the first-choice personal-mobility brand for thousands of urban Indians stepping on to the consumption ladder.

Lambretta is making a comeback in a bigger and cleaner avatar in partnership with Bird Mobility.

Walter Scheffrahn, Owner of Innocenti SA, which owns the Lambretta Brand globally, in his first interview with Indian media told ET that the group will invest over \$200 million in the next five years with the Bird Group to capture the Indian market.

Innocenti SA will bring in a range of high-powered scooters — G, V and X models with capacities between 200 cc and 350 cc. It will eventually add an electric scooter in 2024.

"The brand has its soul in India and it has tremendous affinity amongst the masses. We want to re-create the magic of the past. We aim to make it a Ferrari of scooters in India with our top-end range," added Scheffrahn.

Hence, the vehicles will be really high-end and its most accessible product, too, may be at a premium of at least 20% over the most expensive scooters.

The joint venture company will be 51% owned by Lambretta, with the balance 49% by Bird Group.

Founded in 1971, Bird Group has businesses that include travel technology, airport ground handling services across city airports, India's only private jet terminal at Delhi's IGI airport, the Roseate brand of hotels and resorts, and BMW dealerships under Bird Automotive.

To begin with, while the focus will be on completely built unit imports and knocked down kits, Lambretta eventually plans to do deep local

manufacturing from the first quarter of 2024. The electric version of Lambretta will be showcased at the Milan Motorcycle Show in 2023 and the model may be locally produced.

In 2021, Lambretta sold about 100,000 units globally, and the entry into India could potentially more than double the brand's footprint, said Scheffrahn.

The Lambretta is currently sold in nearly 70 countries, with a manufacturing footprint in Europe and South East Asia. The plant in India is expected to be its biggest and the European brand will be utilising it for the export market.



SECOND LIFE

We want to re-create the magic of the past. We aim to make it a Ferrari of scooters in India with our top-end range

WALTER SCHEFFRAHN

Owner, Innocenti SA

The manufacturing facility with a capacity of 100,000 units to be set up at Manesar is likely to come on stream at the beginning of 2024. Work on localisation will begin before production begins in the first quarter: Scheffrahn says the investment will create an employment opportunity for 5,000 people.

On the rights of the brand for the Indian market, Scheffrahn said the issue will be settled shortly. "Innocenti is the undisputed owner of the global trademark rights of Lambretta. We would not risk such substantial investments if there was any ambiguity," he said.

Business Line 9th September 2022

TVS unveils Apache RTR 160, RTR 180 bikes

OUR BUREAU
Chennai, September 8

TVS Motor Company has introduced two all-new bikes in its Apache range — Apache RTR 160 and Apache RTR 180 — as it continues to strengthen its presence in the Apache segment that has become intensely competitive.

The price of the Apache RTR 160 (drum version) is ₹1,17,790 (ex-showroom, New Delhi), while the disc variant is priced at ₹1,21,290 and the Apache 160 disc BT version is priced at ₹1,24,590. The Apache RTR 180 Disc BT comes with a price tag of ₹1,30,590.

The RTR 160 will churn out 16.04 PS of power at 8,750 rpm with a torque of 13.5 Nm at 7,000 rpm, while RTR 160 comes with 17.02 PS power at 9,000 RPM and torque of 15.5 Nm at 7,000 rpm.

The power increase coupled with a weight reduction of 2 kg in Apache RTR 160 and 1 kg in Apache RTR 180



2022 TVS Apache RTR 160

has resulted in an enhanced power-to-weight ratio for both motorcycles, offering an unravelling riding experience, said a statement.

Drop in market share

Though the company is the leader in the above-150cc to 200cc segment with its Apache range of bikes, TVS Motor has seen a huge drop in its market share in the past year — to about 30 per cent from 43 per cent a year ago given increasing competition as Yamaha, Bajaj, and Hero have been boosting their presence and share in the segment.

PRESS REPORTS ON COMMERCIAL VEHICLE

Business Standard 6th September 2022

Tata Motors drives in India's first CNG truck

SHALLY SETH MOHILE
Mumbai, 5 September

Tata Motors on Monday launched the country's first CNG truck in the medium and heavy commercial (M&HCV) vehicle segment in the 28 and 19 tonne nodes.

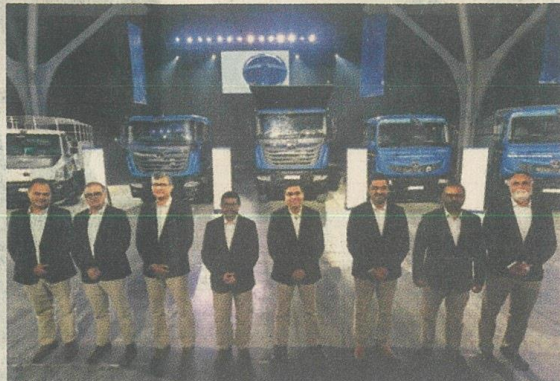
Most of the truck makers including Tata Motors, presently offer CNG only in small and light commercial vehicle segments. It also launched a fleet of seven trucks in the intermediary and light commercial vehicle (I&LCV) segment meant for varied applications.

Meanwhile, as part of its net zero emission target, the company is also working on a host of other alternative fuel solutions including liquefied natural gas (LNG) hydrogen, bio-CNG to meet the long term net zero emission goals, said Girish Wagh, executive director, Tata Motors.

"We are doing a continuous TCO (total cost of operation) analysis for various ranges—whether it's 500 km, 1000 km or 2000 km.

Depending on a particular application, we should be ready with both LNG and CNG," Wagh told *Business Standard*. LNG as a fuel because of its density makes sense for long haul. The CNG powertrain can be easily adapted to LNG and Tata Motors is already working on it, he said.

To be sure, Tata Motors has introduced CNG powered M&HCV



Tata Motors Executive Director Girish Wagh (third from the right) says the firm is working on other alternatives to meet the long-term net-zero emission goals

PHOTO: KAMLESH PEDNEKAR

trucks at a time when the price differential between the diesel and CNG which used to be as high as 40 per cent till a year ago, has narrowed to 20 per cent now owing to a consistent price hike in the latter. But even at the current price, CNG is more feasible for the operators. The movement towards zero emission in the CVs in the country will happen through natural gases. Therefore, we want to be prepared across the entire range.

With the launch of the new advanced trucks that boast of a host of features including the new-age, Advanced Driver Assistance System

(ADAS) Tata Motors is hoping to create a strong differentiation and recoup some market share it has had in the recent months.

At the end of the June quarter of the current fiscal, Tata Motors share in the commercial vehicle market fell to 42.5 per cent from 45 per cent at the end of fiscal 2021-22. The fall in the M&HCV segment was sharper—54.6 per cent in Q1 of FY23 from 58.2 per cent at the end of FY22.

Commenting on the market share loss Wagh said, "We want to grow profitably." The company is looking to meet the objective through a combination of actions

including introduction of a product range that adds more value to the customer, offer value added services using digital solutions like the "Fleet Edge" which helps track the vehicle, the driver behaviour, and improve fuel efficiency. A combination of all this and a retail focussed approach that includes creating a pull-based approach for products and services instead of the traditional push approach, will help it grow profitably, said Wagh.

The new launches come at a time when India's commercial vehicles market is seeing a sharp recovery after two years of downturn amid improvement in economic activities and pick up in infrastructure and road construction projects.

ICRA Research expects the Indian commercial vehicle (CV) industry to witness a robust volume growth of 12-15 per cent in FY23. This would come on back of a 112 per cent growth in dispatches the industry saw in the Q1 of FY23 albeit on last year's low base.

"This year too, as an industry we are on a growth path," said Wagh. All indicators—be it freight rates, fleet utilisation or economic activities, are encouraging and the industry will see a double digit growth, he added.

With the launches of advanced I&LCV trucks and tippers, Tata Motors (used at construction sites) aims to tap into the multi-application needs of the rapidly

growing logistics and infrastructure sectors. This will particularly address demand in the urban clusters and hilly areas.

The newly launched trucks boast of advanced features including Advanced Driver Assistance System (ADAS).

Speaking at India's largest commercial vehicle launch. The trucks launched address the growing need for safer transportation with an ADAS offering collision mitigation system, lane departure warning, electronic stability control, driver alerts and tyre pressure monitoring.

They also provide cleaner mobility solutions with a richer offering of alternate fuel powertrains.

Available in many fully-built body options of load bodies, tippers, tankers, bulkers and trailers, these M&HCV and I&LCV trucks cater to a wide range of good movement and applications across diverse sectors—agriculture, cement, iron & steel, container, vehicle carrier, petroleum, chemical, water tankers, LPG, FMCG, white goods, perishables, construction, mining, municipal applications etc, the company said.

The CNG models are powered by the 5.7-litre SGI engine generating peak power of 180hp and torque of 650Nm, come with a modular architecture and offer a range of up to 1,000 km, the company said.

Business Line 2nd September 2022

Ashok Leyland bags order for 1,400 school buses in the UAE

OUR BUREAU

Chennai, September 1

India's second-largest commercial vehicle manufacturer, Ashok Leyland, has secured an order for 1,400 school buses in the UAE.

In a press release, the company said that the 55-seater Falcon bus and 32-seater Oyster bus will be supplied from its \$50-million manufacturing facility in Ras Al Khaimah, UAE.

Established in 2008, the plant is the only certified local bus-making facility in the Gulf Cooperation Council (GCC) region, said the company. It has an installed capacity of 4,000 buses a year and has rolled out 25,500 so far.

'A historic moment'

"This is a historic moment for Ashok Leyland in the UAE. This is a testament to the reliability, durability and robustness of our buses, and reaffirms



Dheeraj Hinduja, Executive Chairman, Ashok Leyland

the faith that our customers have on our buses being the safest for transporting school students. These products are made in the UAE assembly plant," said Dheeraj Hinduja, Executive Chairman, Ashok Leyland.

"The product concepts originate in the UAE, the designs are done by our engineers in UAE, and are assembled in the factory in UAE, with more than 55 per cent of parts sourced in UAE," he added.

PRESS REPORTS ON TRACTORS

Business Line 13TH September 2022

Tractor sales dip a tad in August

Third straight month of falling sales, but exports remain in the growth lane

GBALACHANDAR

Chennai, September 12

The domestic tractor industry reported a very marginal year-on-year decline in sales during August 2022 as a combination of high base effect and uneven spread of monsoon continued to impact tractor volumes in the country. This is the third month in a row that domestic tractor sales have reported a y-o-y decline after a rebound in volumes in April.

Domestic tractor sales stood at 52,691 units in August compared with 53,721 units in August 2021, recording a fall of about 2 per cent. The decline was a little higher, at about 5 per cent, when compared with July 2022 volumes, according to the data provided by Tractor & Mechanisation Association (TMA).

"Even as IMD had forecast a fourth consecutive normal monsoon, kharif sowing area has lagged previous year levels, dragged down by rice sowing. Also, the price hikes taken by the OEMs may lead to demand moderation and remain monitorable. A healthy monsoon performance remains critical for the prospects of the farming community," said Rohan Kanwar Gupta, Vice President & Sector Head, Corporate Ratings, ICRA.

Optimistic outlook

For the first 5-month period of this fiscal, total domestic tractor volumes grew 7 per cent at 3.73 lakh units compared with 3.48 lakh units in the year-ago period, mainly supported by strong June quarter volumes.



Domestic tractor sales stood at 52,691 units last month compared with 53,721 units in August 2021, recording a 2% fall, show TMA data

The industry remains optimistic about healthy demand over the near term, supported by expectations of stable farm cash flows. "We are optimistic that tractor purchases on auspicious days in the festive season will lead to a revival in demand, as farmers start preparing for harvesting operations. We are pre-

paring for strong tractor demand in the festive season," said Hemant Sikka, President - Farm Equipment Sector, Mahindra & Mahindra Ltd.

While the domestic industry reports moderation in sales, exports of "Made in India" tractors stay robust as they grew 3 per cent at 12,118 units. For the April-

August 2022 period, exports grew 19 per cent to 59,100 units. Production of tractors during August stood at 98,745 units (105,422 units in August 2021 and 101,421 units in July 2022).

Rainfall to the rescue

With respect to sales, Uttar Pradesh, Rajasthan, Maharashtra and Karnataka were the top four States contributing 57 per cent of it, according to Tractor Junction, an e-commerce platform for tractors and farm implements.

"According to the IMD, major regions across the country will receive normal to above normal rainfall in September; this augurs well for the farm sector, volumes of tractors, and other farm equipment. This coupled with the festive season demand will help recover sales in the remaining month of the year," said Rajat Gupta, Founder, Tractor Junction.

PRESS REPORTS ON COMPANY NEWS

Business Standard 1st September 2022

Maruti expects to launch first EV in FY25: Bhargava

Says early EVs will be in upper price band

DEV CHATTERJEE
Mumbai, 31 August

Maruti Suzuki India's (MSIL's) early-stage electric vehicles (EVs) will be launched in the upper price band, its Chairman R C Bhargava said on Wednesday.

The carmaker expects to launch its first EV in 2024-25 (FY25), while answering shareholder questions at the company's annual general meeting in the Capital.

According to its green energy programme, MSIL will manufacture anywhere between 400,000 and 500,000 compressed natural gas (CNG) cars in 2022-23, marking a big jump from about 250,000 CNG cars manufactured in 2021-22, he said.

"The EV production is going to take place in the Suzuki plant in Gujarat. We expect EVs to come in FY25," he said.

"They are not going to be in the lower end to begin with. We hope to get good customer acceptance for these EVs because they have been carefully designed and manufactured," said Bhargava.

The level of indigenisation in EVs will also be higher because of the battery plant being set up, he added.

Prime Minister Narendra Modi had, on Sunday, laid the foundation stone for Suzuki's EV battery plant in Hansalpur, Gujarat.

In the past few years, the company put its EV plans on the back burner as it was wary of high cost of acquisition and 'range anxiety', which is the driver's fear that a vehicle will run out of power and he/she will not be able to find a charging point. In the meantime, MSIL focused on alternative technologies, such as CNG and hybrids.

Vehicle makers, such as Tata Motors,

ROAD AHEAD

■ Maruti Suzuki is creating infrastructure in India to assist its EV manufacturing

■ PM Modi on Sunday inaugurated Suzuki's EV battery vehicle manufacturing facility in Hansalpur, Gujarat

■ Suzuki on Sunday said it has established R&D centre in Delhi

■ Electric car sales in India are currently less than 1% of total car sales



MG Motor, Mahindra & Mahindra, Hyundai, and Kia, have already launched their EVs in the country.

The government is banking on EVs to reduce dependency on fossil fuel and curb emissions in a country that is home to some of the world's most polluted cities.

MSIL has seen its market share drop from a peak of 51.21 per cent in 2018-19 to 43.38 per cent in 2021-22 (FY22).

Its consolidated net profit was ₹4,389 crore in 2020-21, which went down 11.6

per cent to ₹3,879 crore in FY22.

Bhargava said there are many reasons why the company's market share and profits have fallen.

"From 2019-20, the sales of the company dropped 16 per cent. But industry-wide sales dropped 18 per cent. This drop happened due to a price increase that happened when we were switching over from Bharat Stage (BS) IV to BS VI. Subsequently, Covid-19 struck in 2020-21," he said.

Both BS IV and BS VI are unit emission norms that set the maximum permissible levels for pollutants that an automobile or a two-wheeler exhaust can emit. Compared to the BS IV, BS VI emission standards are stricter.

In the past few years, the automotive industry has been severely disrupted by the semiconductor shortage, besides the pandemic's body blow.

Also, the Ukraine-Russia stand-off led to commodity prices going through the roof, in turn leading to an increase in the prices of passenger vehicles, he said.

With sales and production moving up, there is some relief in sight on two fronts: semiconductors and material costs.

"Market share will go up when we will get more and more vehicles into the sport utility vehicle segment. A new Alto was launched recently. This year has seen quite a few upgrades," he stated.

"They were delayed somewhat last year because of Covid-19. A number of new models are coming up and all of these will help us restore market share," he added.

Bhargava said MSIL is looking into the area of compressed biomethane gas fuel because it has "enormous potential" for the country.

MSIL's contribution to its Japanese parent Suzuki Motor Corporation's global business will go beyond 60 per cent this financial year (FY23), he added.

Triton EV Takes Fight for AMW & Subsidiary to SC

NCLAT RULING CHALLENGED Tribunal ruled in favour of earlier bidder Steel Strips Wheels

Maulik.Vyas@timesgroup.com

Mumbai: US-based Triton Electric Vehicle LLC, a bidder for the bankrupt AMW Motors, has approached the Supreme Court to challenge the ruling of the National Company Law Appellate Tribunal (NCLAT) in a resolution process of AMW's subsidiary.

The appellate tribunal rejected Triton EV's application to consider its bid for AMW Autocomponent. The lenders have already approved the resolution plan submitted by Steel Strips Wheels (SSWL).

AMW Autocomponent is a manufacturer of wheel rims for agriculture and commercial and passenger vehicles and has the largest single steel wheel rim manufacturing plant in the country.

On September 1, 2020, the Ahmedabad bench of the National Company Law Tribunal (NCLT) admitted the company under the Corporate Insolvency Resolution Process (CIRP). On September 21, 2021, the Committee of Creditors (CoC) approved the resolution plan submitted

Case History

Sep 2020 NCLT Ahmedabad admits AMW Autocomponent under CIRP

Sep 2021 Creditors approve resolution plan by Steel Strips Wheels

Dec 2021 Triton EV proposes resolution for AMW Motors and its subsidiary

Jan 2022 NCLT gives lenders discretion to decide

Apr 2022 SSWL challenges order at NCLAT; ruling goes in its favour



by SSWL in the absence of any other viable resolution plan.

On December 13, 2021, Triton EV approached the lenders via a joint resolution plan for both AMW Mo-

tors and its subsidiary AMW Autocomponent. The bidder also proposed to purchase the land parcel belonging to Asia Motorworks which has been mortgaged to the lenders of both companies.

On December 18, 2021, the lenders decided that since the resolution plan submitted by SSWL was already approved by them and pending NCLT's approval, they can consider the Triton EV's plan only if the tribunal permits them to do so.

Subsequently, the tribunal in its order of January 18, 2022, clarified that the lenders have the discretion to decide on the new plan if it finds in its discretion that the said plan may bring maximisation of value.

SSWL challenged NCLT's ruling in the appellate tribunal. The NCLAT in its order of April 18, 2022, set aside NCLT's order and observed that there was no valid reason for NCLT to permit the CoC to consider the plan of the Triton EV.

Triton EV then approached the Supreme Court to set aside the NCLAT's order so that the lenders can consider its plan for AMW Autocomponent.

Triton EV specialises in manufacturing lithium battery cells and electric vehicle controllers in addition to long-range electric vehicles.

Business Line
13th September 2022

Skoda Auto adds VW Virtus to export list

AROOSA AHMED

Mumbai, September 12

Skoda Auto Volkswagen India Private Limited (SAVWIPL) on Monday announced the addition of India-built Volkswagen Virtus to its export portfolio from the country. The shipment of 3,000 Volkswagen Virtus cars is being done to Mexico from the Mumbai port.

"The growth in our export numbers testifies to the success of the India 2.0 programme. It also showcases India's engineering expertise on a global stage. With this announcement, we have further strengthened our commitment to offering next-generation vehicles to and from India," said Piyush Arora, Managing Director, Skoda Auto Volkswagen.

By June, SAVWIPL exported over 5,50,000 cars with Mexico being the largest export market followed by South Africa and Central America.

Citroen rolls out updated C5 Aircross premium SUV starting at ₹36.67 lakh

OUR BUREAU

Chennai, September 8

Citroen India, part of Europe's Stellantis Group, announced the launch of its new C5 Aircross SUV at a special introductory price of ₹36,67,000 (ex-showroom Delhi).

The new premium SUV, which has undergone a design makeover to present a more distinguished, modern, and dynamic personality, will seek to compete against premium SUVs such as Mercedes-Benz GLA, BMW X1 and Audi Q3, the company said in a statement.

"The new C5 Aircross is now more attractive and dynamic, with a sharper design that is complemented by high-quality colours as well as interior materials that fortify the SUV's comfort and spaciousness," the statement added.

"We are excited to launch the new C5 Aircross SUV in India, our flagship SUV in the Citroen portfolio and it em-



Citroen's new C5 Aircross premium SUV

bodies all the elements of the Citroen Advanced Comfort program. Since its launch in 2021, C5 Aircross has been recognised as the most comfortable and flexible SUV in its category, and has now been given a makeover to assert a more prestigious, modern and dynamic personality," said Roland Bouchara, CEO & Managing Director, Stellantis India.

The only SUV in the segment to offer three individual sliding, reclining and retractable rear seats, enabling the passengers to enjoy people

carrier-level modularity in a real SUV.

Best boot volume

The company claims to offer the best boot volume in the segment: from 580 to 1630 L.

The new Citroen C5 Aircross SUV is available for retail at 2C La Maison Citroen phygital showrooms in 19 cities-New Delhi, Gurgaon, Mumbai Pune, Ahmedabad, Kolkata Bengaluru, Hyderabad, Kochi Chennai, Chandigarh, Jaipur Lucknow, Bhubaneswar Surat, Nagpur, Vizag, Calicut and Coimbatore.

Business Line
6th September 2022

Business Line 14th September 2022

Govt mulls 100% WFH for employees in SEZ units

Move to help firms retain talent, allow people to work from smaller cities: Goyal

AMITI SEN

New Delhi, September 13

The government is considering a proposal to allow 100 per cent work from home for employees in Special Economic Zones across sectors, Commerce & Industry Minister, Piyush Goyal has said.

If implemented, this will spell a big relief for units in the SEZs which have been struggling with the WFH rules for SEZs that allow only up to 50 per cent of the workers to work from home..

Goyal said that the government had allowed WFH for units in SEZs when Covid was at its peak and employees were not able to come to office for work. "Our decision was much appreciated. Because of this, our services exports increased rapidly last year to \$254 billion. This year, there will be a bigger jump,"

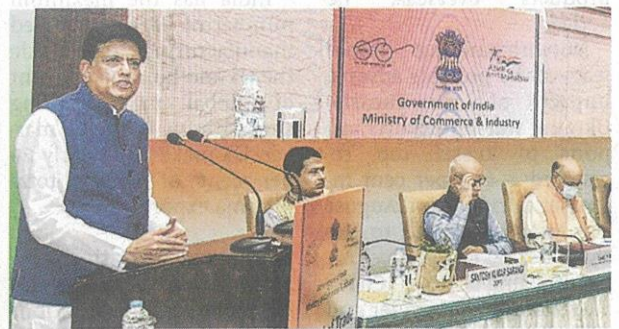
the Minister said, talking to the media on the sidelines of the Board of Trade meeting on Tuesday.

The Commerce & Industry Ministry and the Finance Ministry are already in advanced discussions on the matter of allowing 100 per cent WFH for SEZ units, a source tracking the matter said.

'WFH had to be allowed'

In a recent meeting between the government and SEZ units on the issue of implementation of 50 per cent WFH rules, several companies, many of them leading IT/ITES exporters, sought more time for implementation of the provision as they said workers were reluctant to return to their work places from their home-towns.

Pointing out that the in-



Piyush Goyal, Commerce & Industry Minister addressing the Board of Trade meeting, in New Delhi, on Tuesday PTI

dustry outlook was buoyant and there were many companies that wanted to invest or expand by employing more in India, the Minister said that, today the circumstances were such that if you forced people to come to work, in many instances people wouldn't join and would instead go elsewhere because there is a shortage of manpower.

"In many places, whether they want or not, employers

have to allow WFH," the Minister said, adding that in many areas allowing the facility was helping the country to increase exports. The option of WFH had allowed people to work from smaller cities such as Patan, Rajkot, Jabalpur and Plampur and it became a source of jobs in such cities, Goyal said.

"When such examples came to us, we realised that allowing WFH in SEZs will help the country," he said.