

"New Car EV"



Weekly Learnings 34 / 2023

Last week I saw this new MG EV Comet car in Delhi airport. It has 3 doors, a range of 200 kms and is priced at Rs 10 lacs. I looked up on what's happening around EV s and here are my learnings:

- 1.EV cars in India have a 5.3 pc share of all new cars sold. Globally the number is 14 pc.
- 2.From a consumer point, range anxiety, price, charging infrastructure on the road, government subsidies, battery life, speed of charging are important.
- 3.The bigger story in EVs is scooters. Scooters are doing well since there is less range anxiety. EV Scooters are priced higher but it's appeal to women and a better pillion ride is helping. In India, EV scooters crossed 00,000-unit sales in May 2023. The Climate change agenda will be helped more by EV 2-wheelers. EV scooter range is 80 to 200 km.

4.The global market cap data last week is interesting:

Tesla 675 billion USD
Toyota 219 billion USD
Porsche 102 billion USD
BYD 94 billion USD
Mercedes 78 billion USD
BMW 71 billion USD

Tesla market cap is 20 pc higher than the next five combined market cap.

BYD used to make batteries for mobile phone brands like Nokia.

5. Tesla car was the largest selling single model globally last quarter beating the Corolla.
- 6.Globally 10 million EV cars were sold in 2022. there are 26 million EV cars globally in 2022. The top countries for EV are China, USA, Germany, UK, France.
7. Norway will be the first country with all EV cars on the road by 2025. This is so because the Norway government taxes EVs at a lower slab.

8. Market leaders need to ramp up on this innovation. Maruti the market leader in India plans EV launches by 2025. By then the EV percentage could be double digit. This is always the cultural challenge of market leaders, the ability to take small bets on future trends and disruptions.

9. The delivery platform brands in India have committed to moving to 2-wheeler EVs in the next 24 months.

10. The consumer recognises the cost efficiency of an EV car in about 12 months. A normal car has 2000 parts in its drive train and the EV car has 20.

11. The key is the battery price. Battery price is currently 35 pc of a 2-wheeler price. It will only come down and EV 2-wheeler prices will drop. The same will follow in cars.

For all the benefits and talk of sustainability, this industry is doing ONE thing wrong. They have multiple chargers out there. They must agree on a single charger design quickly. Nokia led the discussions to a single universal charger in 2008, till today it has not happened in mobiles. This industry must learn from the mistakes of the mobile charger industry.

Will a car with three doors and a 200 km range sell? Am not so sure!!

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