

Home-charging of 2-wheeler EVs may keep public charger demand low

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The average utilisation of public chargers set up by companies to power electric vehicles per kWh capacity ranges from 5-25 per cent across India, say leading players in the business. The reason is that the electric vehicle (EV) revolution has been kicked off in the country primarily by two-wheelers (over 900,000 vehicles are registered and on the road with a penetration of over 4 per cent) and 80 per cent of them are charged at home.

But electric passenger cars, whose penetration is just 1 per cent, will need a lot of public charging stations because of the longer daily drive runs they make. At the moment, though, here are simply too few electric cars on the road.



(Source: based on a study of commuter behaviour by electric vehicle makers)

THE CHARGING BREAK-UP

- For a low daily run of 25-40 km, home charging is the most common
- Even for users with daily run of over 40 km, home charging is prevalent and public charging facilities are used in case of additional needs during commutes
- For higher daily drive runs of 70 km and above and for commercial fleet operators, fast charge networks will be prevalent. For instance, BluSmart cars charge twice a day with Statique, as they have higher usage

While there are 5,000 public and private charging stations, Bain & Company say that a viable economic model for the stations has yet to emerge owing to low electric vehicle volumes.

Gurgaon-based Statiq is one of the

larger players in the charging station business. It has 7,000 chargers out of which 1,000 are fast chargers. The use of its public fast chargers for cars across Delhi-NCR and other parts of north India is very low.

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mobile makers to shine in Q3FY23 while mining and metals and oil and companies are expected to be laggards.

“We expect (the) net income of automobiles (margin expansion owing to low commodity prices) and banks (strong loan growth, stable NIMs and a steady decline in loan-loss provisions) to increase sharply on a Y-o-Y basis but (the) net income of downstream oil companies (continued auto fuel under-recovery) and metals & mining (lower commodity prices, weak realization) to decline sharply on a Y-o-Y basis. We expect single-digit Y-o-Y growth in net income for capital goods, consumer staples (modest volume growth) and IT services,” Sanjeev Prasad, Sunita Baldawa and Anindya Bhowmik of KIE in their earnings estimates for Q3FY23.

Analysts at KIE expect Q3FY23 net profits of the 30 Sensex companies to increase 9 per cent Y-o-Y and 6 per cent Q-o-Q and for the Nifty 50 companies to go up 11 per cent Y-o-Y and 9 per cent Q-o-Q.

Among index companies, Bharti Airtel is expected to top earnings growth in Q3FY23 with 174.2 per cent Y-o-Y increase in net profit on a low base, followed by Maruti Suzuki (net profit up 91 per cent Y-o-Y), Coal India (up 85.7 per cent), Eicher Motors (up 60 per cent) and IndusInd Bank (up 60 per cent). At the other end of the spectrum, Tata Steel could be the biggest laggard (82 per cent Y-o-Y decline), followed by JSW Steel (down 74.6 per cent), Hindalco Industries (down 51.4 per cent Y-o-Y), Divi's Labs (down 45.9 per cent) and Ultratech Cement (down 27.2 cent).

EVs...

“Average utilisation is around 15 per cent. Within the city, it is lower than 15 per cent but on the highways, it goes up to 25 per cent as the choice is limited,” said Akshit Bansal, founder and CEO.

The Statiq business model is based on long term contracts for captive use of the bulk of its chargers. These include car fleet owners such as BluSmart, Uber, and last mile two wheeler players for e-commerce. As a result, owing to the assured business, their capacity utilisation in these chargers has hit 40 per cent. These bulk consumers, of course, get charging rates which are discounted up to 40 per cent, said Bansal. He said he expects to break even by around two years. Bangalore-based electric two wheeler company Ather Energy has also built its own public charging stations, primarily to ensure customers don't have any range hesita-

tion. “We have around 950 chargers spread in various parts of the country but our current utilization is around 21 per cent. Most of them are public chargers and there is a combination of fast as well as low charger options,” said a company spokesperson.

Exponent Energy, which is also based in Bangalore and which makes batteries as well as chargers, is cashing in on its flat 15-minute charging technology aimed at commercial vehicles alone, such as LCVs and trucks. It believes that this is more profitable because of the high throughput of power they require and because the chargers can charge more vehicles. “While commercial vehicles are 10 per cent of volumes of vehicles, they consume 70 per cent of the energy in ICE and this equation will be replicated in electric too,” said Arun Vinayak, founder of Exponent Energy.

He added: “Of course, there are 20 million two wheelers so they have a large share of vehicle volumes, but they consume only 5 per cent of the energy and a large part of that too is being consumed from home for EVs.”

State-owned Convergence Energy Services Limited has the task of helping to build the country's charging infrastructure. It operates over 440 chargers in about 13 states. Only 27 are slow chargers.

Mahua Acharya, its managing director and CEO, said the utilization for its passenger car chargers is around 5 per cent. The company does not monitor two wheelers because they mostly charge elsewhere, predominantly at home.

According to Acharya, the average number of four wheelers which come into each charger per day range from nine in Uttar Pradesh, eight in Delhi, 4 in Haryana and merely 1.9 in Tamil Nadu.

But he says that those who are investing in charging stations are banking on the expectation that the projected electric vehicle market will grow multiple times, creating a huge demand for more public chargers in the future.

Ola Electric shares this view. Its spokesperson said: “Home charging is the default consumer behaviour right now where over 80 per cent of the charging needs are being fulfilled. We see that use of hyper chargers is proportional to the market penetration of electric vehicles in that area.”

By the year end, Ola Electric will have moved from 50 hyper chargers now to 1,000. He said that a robust pan-India mobility infrastructure will be required to complement home charging and also to change the use cases which are currently in cities.

