

Smaller companies sweep e-bus market, legacy automakers lag

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SMALLER, LESSER-KNOWN COMPANIES have resoundingly outbid large legacy brands by a 7:1 ratio in the electric bus segment, bagging almost every new contract floated by public and private transport entities.

Olectra Greentech, PMI Electro, JBM and Eka Mobility have a collective pending order book of nearly 19,000 electric buses, as against 2,500 combined pending orders of Tata Motors, Ashok Leyland and VE Commercial Vehicles.

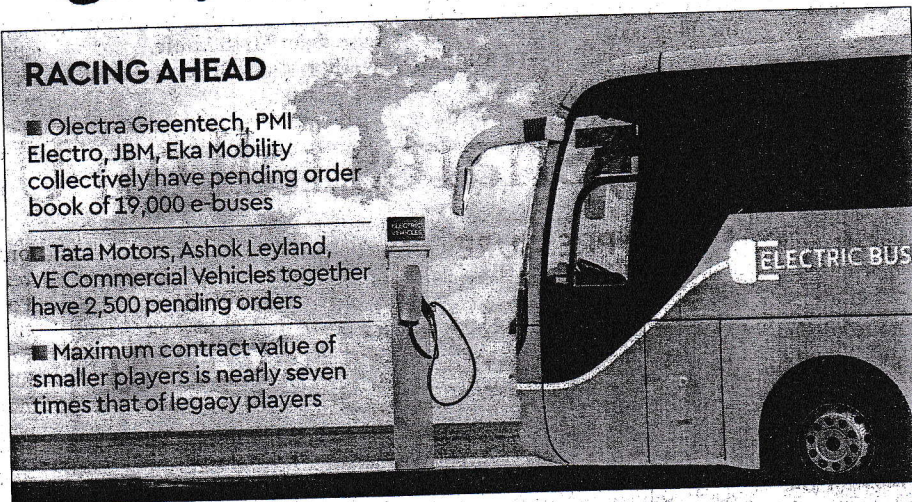
The maximum value of the contracts bagged by legacy players is estimated to be around ₹5,000 crore while that by others is estimated to be ₹38,000 crore, since the cost per electric bus is between ₹1.5 crore to ₹2 crore.

The electric bus segment is the only category in the country's automotive landscape where large home-grown brands do not have an upper hand. Legacy auto brands either have a dominating position in passenger vehicles, two and three-wheelers, non-electric commercial vehicles and tractors or are in the top three ranking.

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RACING AHEAD

- Olectra Greentech, PMI Electro, JBM, Eka Mobility collectively have pending order book of 19,000 e-buses
- Tata Motors, Ashok Leyland, VE Commercial Vehicles together have 2,500 pending orders
- Maximum contract value of smaller players is nearly seven times that of legacy players



based Megha Engineering & Infrastructure and powered by technology supplied by China-based world's largest electric vehicle company BYD, Olectra Greentech has a lion's share of the pending order book.

Olectra has 55% share of the pending order book totaling nearly 10,500 electric buses. This includes a repeat order from BrihanMumbai Electric Supply & Transport Undertaking (BEST) awarded in February of 2,400 buses valued at ₹4,000 crore.

Olectra will more than double its manufacturing capacity to 2,500 e-buses per annum, which can be further ramped

to 5,000 per annum by inaugurating a new plant in Sitarampur, Telangana.

After delivering 2,500 buses, Haryana-based JBM Auto has around 5,000 electric bus orders from Gujarat, Haryana, Delhi, Telangana and Orissa, while Delhi-based PMI Electro Mobility has 2,276 orders pending.

Though PMI has delivered over 1400 e-buses which are plying in states like Goa, Maharashtra, Ladakh, Kerala, Uttar Pradesh, Himachal Pradesh and Gujarat, it has bid or plans to bid for 2276 orders from BEST and Delhi Transport Corporation, as per a reply sent by the company

to a query from FE.

The biggest reason why Tata Motors, Ashok Leyland and Eicher Motors company VE Commercial Vehicles (VECV) refrained from bidding for fresh contracts is because of the absence of a payment security mechanism (PSM) which is supposed to act as an insurance against failure of payments by entities.

Tata Motors, India's largest truck and bus maker, has 500-600 pending orders while Ashok Leyland and VECV have 1,000 pending orders each. Tata Motors and Ashok Leyland did not respond to queries at the time of going to press.