

DEMAND SURGES WITH STATE GOVTS PLACING BIG ORDERS

Tata Motors, Ashok Leyland battle it out, this time in electric bus space

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WITH THE DEMAND for electric buses going up as several state governments induct these cost-effective vehicles into their fleet, the old rivalry between the top two manufacturers — Tata Motors and Ashok Leyland — has come to the fore.

Electric buses are steadily replacing diesel and CNG-powered buses in several cities as they are aided by the Central government's subsidy scheme as well as several new app-based startups driven by the private sector.

While Tata Motors has deployed the second-largest fleet of electric buses in the country (with about 715 buses, trailing 850 e-buses of Olectra

■ CESL is planning tenders totalling **50,000** e-buses

■ Ashok Leyland-Chalo 5000 order is worth **₹8,000 cr**

■ Ashok Leyland-Chalo's 5,000 order is worth **₹8,000 cr**

■ Diesel/CNG buses to be phased out countrywide

■ Tata Motors has delivered **715** e-buses, Ashok Leyland **190** e-buses

■ Tata Motors bagged **5,450** e-bus order worth **₹5,000 cr**

■ Ashok Leyland bagged **5,000** e-bus order worth **₹8,000 cr**



Greentech), Hinduja Group flagship firm Ashok Leyland (and its subsidiary Switch Mobility) may be ahead in terms of the order book numbers.

Ashok Leyland has an order book of 5,600 e-buses, of which 5,000 are under a partnership with transport technology

startup Chalo. The rest comprises orders from Bengaluru Metropolitan Transport Corporation (BMTCL), Brihanmumbai Electric Supply and Transport (BEST), and some private orders.

While Tata Motors has bagged the 5,450 e-bus tender floated by the Centre-backed Convergence Energy Services (CESL), it has assured orders for only 3,600 e-buses so far.

This is because other companies like VE Commercial Vehicles (VECV) have matched the price offered by Tata Motors which has led VECV winning the supply order in a couple of cities, thereby reducing the overall share of Tata Motors.

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CHENNAI-BASED ASHOK Leyland has created a separate subsidiary, Switch Mobility, to house the electric bus business. It has so far delivered 190 e-buses which are running in Ahmedabad, Patna, Chandigarh and Bengaluru. The company is currently in the final stages of joining hands with a strategic partner for bringing fresh investments in Switch for scaling up manufacturing capacity as well as product offering.

Speaking to FE, Mahesh Babu, CEO — Switch Mobility India and COO — Switch Mobility, said: “We are in the final stages of finalising something because we are looking at investors who are more like partners than just investors to scale up the business. Majority control will be with Leyland Group. Hopefully, this will happen in this quarter itself.”

Babu clarified that the investments will only be used for scaling up the business. “All the investments we are looking for Switch Mobility is for capital to develop products and increase capacity. None of them are for unit loss sale of the contract that we are taking. So, the investment is to scale up the

business,” Babu added.

As per data shared by the Society of Indian Automobile Manufacturers (SIAM), Tata Motors was the largest bus seller (of diesel and CNG buses) in FY22 with sales of 4,523 units, followed by 3,789 buses sold by Ashok Leyland.