

# Kinetic Engineering aims to be among top 3 e-scooter makers in 3-5 years



Indian automotive manufacturer Kinetic Engineering Ltd (KEL) has made a comeback in the two-wheeler (2W) segment with the launch of its electric scooters (e-scooters), the DX and DX+, priced at ₹1.11 lakh and ₹1.17 lakh, respectively. The scooters will be manufactured by its electric vehicle (EV) subsidiary, Kinetic Watts and Volts (KWV). **Ajinkya Firodia**, vice-chairman and managing director (MD) of KEL, and chairman and MD of KWV, speaks with **Deepak Patel** in New Delhi about KWV's goal of breaking into the top three e-scooter makers, how the group has avoided cannibalisation with his sister's company, Kinetic Green, and how it has stayed insulated from the rare-earth magnet crunch. Edited excerpts:

**What was the thinking behind entering the e-scooter market at the ₹1.11–1.17 lakh price point? Also, tell us about your production capacity.**

■ We wanted to build a family scooter that's affordable but also technologically advanced. If you compare the DX and DX+ with other scooters in the same price range, ours offer better features without being discounted. We plan

to manufacture 40,000 units in the first 12 months as we ramp up our dealership network. Over the next three years, we aim to reach a production capacity of 150,000 units per year. Ultimately, we want to be among the top three e-scooter makers in the next three to five years.

**How do you plan to get to the top three?**

■ Right now, the market is largely controlled by five players — Bajaj, TVS, Ola, Ather, and Vida (powered by Hero) — who account for nearly 90 per cent of it. If we want to be in the top three, we have to match or surpass their products. With offerings like the DX and DX+, demand shouldn't be a problem. But more than demand, our growth depends on how quickly we can scale our dealership network and production capacity. That growth will have to align with how fast our component suppliers can ramp up. We currently have 20 dealerships and plan to reach 150 within the next year. Our three-year target is 350 dealerships.

**How much of your components come from Kinetic group companies?**

■ A majority of our key compo-



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nents come from group companies — batteries, controllers, motors, chassis, and so on. Around 60 per cent of the components, by value, are sourced internally. The remaining 40 per cent come from external suppliers like MRF and Minda.

We've been very careful in selecting those partners.

**Kinetic Green, run by your sister Sulajja Firodia Motwani, is also in the electric 2W space. Isn't there a risk of cannibalisation between**

**her company (Kinetic Green) and yours (KWV)?**

■ KWV operates under the Kinetic brand, while her company uses Kinetic Green. These are two separate firms, with different visions, under the broader Kinetic umbrella. Our EV product portfolios are completely different at this stage. Kinetic Engineering, which I run, continues to supply components to Kinetic Green. We're exploring more such synergies. This isn't new to us — the Kinetic group used to have Kinetic (Luna) dealers and Kinetic Honda (old DX scooter) dealers in the same cities. Look at Hero Moto-Corp: they have Vida and Ather. The Bajaj group runs both Bajaj and Chetak Technologies. So I don't see cannibalisation as a real issue. Sulajja and I have a clear understanding.

**How much has been invested in KWV so far?**

■ KEL, the listed parent, has invested about ₹80 crore in KWV and has committed another ₹177 crore over the next 18 months. That's the minimum needed to hit our production target of 150,000 units annually. But even this ₹257 crore (₹80 crore + ₹177 crore) is small by 2W industry standards. We've managed because group companies have invested another ₹100–150 crore in setting up component supply for KWV and others. Plus, we already had the land and buildings — we just refurbished the infrastructure and bought new equipment. That alone saved us ₹500–700 crore that a new player would've had to spend.

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