

# Shared e-mobility will suffer: Goenka

EVs used in last-mile delivery expected to grow at a fast clip

SHALLY SETH MOHILE

Mumbai, 29 October

Small electric vehicles (EVs) deployed in the last-mile delivery of goods and people are expected to grow at a fast pace in the near- to short-term even as EVs in the shared transportation space will take a back seat amid the pandemic, said Pawan Goenka, managing director and chief executive at Mahindra & Mahindra.

“This is for the simple reason that the commercial viability of electric three-wheelers has now been firmly established. It’s less strenuous and easier on the wallet to drive an e-three-wheeler and the whole value proposition of using such vehicles has sunk in,” he said.

In a response to a question on the impact of the pandemic on company’s EV plans, he said while the sales of EVs including its e-Treo lost some momentum, the volumes are now steadily picking up.

Mahindra’s launch plans for the segment remain on track. Targeted primarily at the fleet segment, Mahindra plans to launch the e-KUV in three months.

That will be followed by an e-quadricycle, Atom, and an electric version of the S2101 in 2021 end. The company’s sharp focus on last-mile connectivity for cargo and people movement — a segment it believes will boom in the coming months, will ensure it remains unaffected by the current disruption, he said.

On Thursday, the EV making arm of Mahindra launched the Treo Zor, the electric version of the three-wheeler cargo, for last-mile delivery of goods. Priced at ₹2.73 lakh (ex-showroom), with its latest offering that claims a lower total cost of ownership (TCO) as compared to the internal combustion engine-powered three wheelers.

“It’s a game changing product and offers a better value compared to fossil fuel pow-



Electric Treo Zor priced at ₹2.73 lakh was launched on Thursday



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**PAWAN GOENKA,**  
MD, & CEO,  
Mahindra and Mahindra

ered vehicles,” said Mahesh Babu, CEO Mahindra Electric.

The company is in talks with e-commerce firms like Flipkart, Amazon, and Reliance Retail, among others, to tap into the burgeoning demand for last-mile delivery segment, said Babu.

Zor has been designed aimed at the retail and e-commerce segment. Mahindra Electric, said Goenka, has been in talks with e-commerce players to get them on board as

strategic investors and is in the process of firming up the partnership with a few, soon.

In a research report last week, rating firm India Ratings said the Covid-19 pandemic would delay the penetration of EVs in the Indian automobile industry.

Low affordability and the government’s priorities on reviving the otherwise suffering auto industry could shift the focus away from EVs in the interim, the report said.

“Passenger vehicles (PVs) would face a double whammy, as consumers would be wary to buy a costlier EV than an internal combustion engine (ICE) vehicle while original equipment manufacturers (OEMs) would refrain from incurring high capex,” the report added.

Stating that growth in buses may take a back seat as orders for city buses are largely from state transport undertakings, and state governments are already grappling with a falling GDP, it said two wheelers, especially scooters, could see an upside due to the lower pricing delta between an EV and ICE and several models available to consumers.

While he conceded the shared transport will take longer to revive, Goenka said, the higher prices of BS-VI models would make EVs an attractive proposition. The improved air quality during the lockdown has also underscored the importance of green vehicles, he said.