

Frost & Sullivan summit pushes EVs

Seminar in Bangalore highlights the market opportunity for EVs in India and how OEMs and suppliers can benefit from the growth potential. **Darius Lam** reports.

Consulting and research firm Frost & Sullivan held its first ever Growth, Innovation and Leadership (GIL) event in India on October 23, at which *Autocar Professional* was the media partner. Called GIL India 2009: A Frost & Sullivan Global Congress on Corporate Growth, the event took place in Bangalore with executives from leading corporates like Boeing India, 3M, GE Security, Samsung Mobile, Monsanto Research and Crompton Greaves attending the event. The theme revolved around case studies focussing on growth, innovation and leadership as key success factors for companies.

Innovation: The mantra for growth

According to David Frigstad, chairman, Frost & Sullivan, "The key to growth is innovation. The need of the hour is that CEOs need to continuously maintain a 360-degree perspective of their industry, to support their critical decision making. Besides competition, CEOs should be willing to innovate, employ best practices and adopt an integrated industry approach to accelerate growth." Frigstad also made a presentation called 'The CEO's Perspective on Growth



in a Complex Business Environment'.

Speaking at the event, Chetan Maini, deputy chairman and CTO, Reva Electric Car Company (RECC) said, "Our main focus is on R&D and about 40 percent of our employees are involved in this area of the business. Consumers today want cost-effective solutions and for this we have to constantly innovate."

The global automotive sector is clearly moving towards Electric Vehicles (EVs) and the seminar sought to highlight the

(L-R) GIL CEO panellist Ajay Nanavati, MD - 3M India; M S Sekhar, MD - Three D Management Services; moderator Govindraj Ethiraj, editor-in-chief, Bloomberg UTVi; Chetan Maini, deputy chairman and CTO, RECC and Divya Seghal, COO, Apollo Health Street.

market opportunity for EVs in India and also provided a forum for OEMs and component companies to discuss the challenges that face the Indian market in the near future as well as its growth potential in the coming years.

Later, V G Ramakrishnan, senior director for the 'Automotive & Transportation' practice at Frost & Sullivan, presented an analysis of the EV market in India, highlighting the current penetration of the EVs, future developments with respect to EV charging stations, the technology

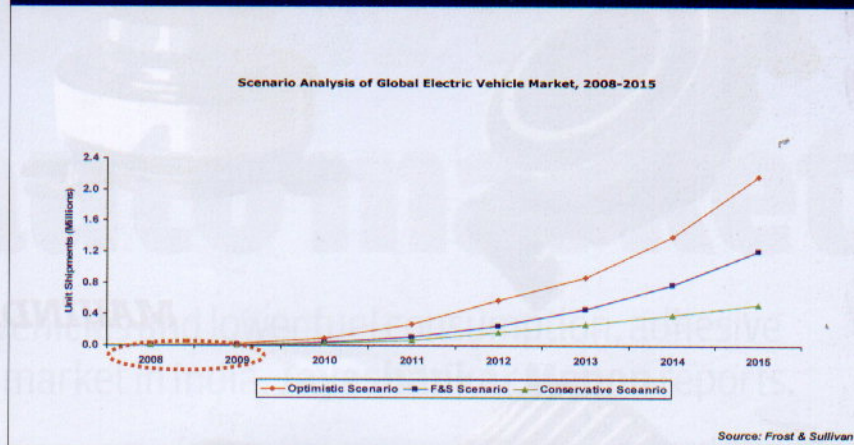
roadmap and challenges facing the development of infrastructure for EVs.

He stressed the important role that the government plays in boosting the use of EVs in any country, adding that technology and infrastructure development should be tuned towards consumer's needs and driving habits and not the other way around. He mentioned that currently the Indian EV industry's size is 110,000 vehicles per annum. However, challenges like battery technology, lack



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Global Electric Vehicle Unit Forecast by Scenarios- Oil price uncertainties, government support and technology breakthroughs are clear drivers of EVs



of government support, charging infrastructure, well to wheel economics and lack of optimum business models are curtailing the growth of EVs in India.

Showcasing Frost & Sullivan's global understanding of the EV market, he mentioned that there are close to 1500 charging stations globally with key initiatives taken by OEMs and the shift from 'Dumb Grid' to 'Smart Grid' is an important step towards setting up effective EV support infrastructure.

According to the consultancy, the global EV market should touch around 2.1 million units by 2015 on the higher side. More conservatively, it sees the market at 1.2 million EVs by 2015, while on the lower side there would be 0.5 million vehicles by 2015.

Later, R Chandramouli, president - sales and services, RECC, presented a case study called 'Have EVs come of age to replace conventional fuels?'. This highlighted future technologies for EVs like Diagnostic Monitor System (DMS), vehicle information data download, portable electronic tools, climate controlled seats and energy management systems. Chandramouli also spoke about the proprietary Reva Energy Management System

which is developed to allow consumers to benefit from the cost, performance and environmental advantages of EVs for urban transport.

Various technical issues like charging of the EVs and battery life were also addressed. Chandramouli also spoke about the Reva air-conditioning system which incorporates special electronics to activate and deactivate it remotely and is integrated with the vehicle security system. This enables the user to pre-cool or pre-heat the cabin before entering. He concluded that EVs are also becoming customer friendly, explaining that an SMS via a mobile phone could give all vehicle-related information directly to the consumer.

Need to grow EV infrastructure

Another case study on the 'Future of City Planning for effective EV infrastructure' was presented by Sohinder Gill, chief executive officer, Hero Electric. Gill is also the Director, Corporate Affairs, Society of Manufacturers of Electric Vehicles (SMEV). He said that Indian buyers of electric two-wheelers are drawn to these vehicles due to their low running costs. The case study highlighted the need for rapid charging stations, progressive policies and government



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Discussing EVs and their market potential in India, the panelists concurred about the importance of a Public-Private Partnership to develop this market segment.

discussions also focussed on the issue of battery recycling and the hazards to environment that are caused by inappropriate battery disposal. They concluded that the EV industry is yet to arrive at a growth stage in India and with the government concentrating its efforts on public transportation, the bus EV market is yet to evolve.

The GIL event concluded with the common session covering 'Best Practices Success Story - Industry Integration' which examined the best practices for identifying growth opportunities in industry integration. Frost & Sullivan also presented Tata Motors with the Excellence and Innovation award for the Tata Nano. Abhay Deshpande, Head Vehicle Integration - Nano and Prashant Saxena, General Manager (Small Car Sourcing), Vendor Development and Procurement, Tata Motors, received the award.

The automotive practice at Frost & Sullivan also tracks the logistics industry and at the GIL summit it recognised TCI Logistics as the best logistics service provider in the automotive space. K Prabhakar, director, TCI Logistics, collected the award. ■

subsidies for EVs. The key point that came across was the importance of a Public-Private Partnership in the development of infrastructure for the EV industry.

There was also a panel discussion which asked whether the EV industry could overcome the challenges on the growth path to a matured market with respect to speed barriers, battery technology, dependency on imports and localisation.

The panelists highlighted the need for localisation of EV components like motors, controllers and batteries. They also agreed that the government needed to support and promote the EV market in India. The