

Rane braces for all-EV 'deadline'

Auto firm mulls opportunities, threats

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The Rane Group has drawn up a two-pronged strategy to gradually prepare itself for the transition towards electric vehicles (EVs) by 2030, as indicated by the Centre.

"We have a defensive strategy in place," said L. Ganesh, chairman, Rane Group. "On the positive side, we are trying to find out what is happening in this (EV) industry by joining hands with a San Francisco-based private venture capital fund," he added.

The promoters of group, that makes steering and suspension systems for the automotive industry, are trying to understand the components that go into EVs and also figuring out the opportunities for arising out of the big push for EVs.

'Nascent' market

"Right now, [the] electric vehicle market is in a very nascent stage. We have invested a small amount in the venture capital and it is not for any financial gain," Mr. Ganesh said.

Queried on the risks for the group arising from the switch to EVs, he said: "As it exists today, it will be a direct threat to engine valves. All other products that we make will be applicable in an electric vehicle. There could be some more sophistication added to them or some add-on features. But, otherwise, none of our other parts will become obsolete because of electric vehicles."

Stating that engine valve would be an issue, he said: "Fortunately, Rane produces engine valves that have diversified applications



L. Ganesh

—from two-wheeler to stationary locomotives besides trucks to tractors. Hence, it gives some more lead time to think and act."

"Nevertheless, we have started thinking about it (the deadline) already. We don't think it will have a big impact for the next 10 years. But 10 years ... they are not a very long time to run. We have started thinking already on what we should have in electric vehicle business 10 years from now ... what add-on products... and where should we focus within the existing business which are likely to switch to buses or fleet transport. That is one of the defensive strategies," he added.

On venture capital investment, Mr. Ganesh said the group had done some nominal equity funding. It was not a big financial investment that could earn some profit for the group. The objective was to participate and be a part of the group that was encouraging startups and funding lot of areas in EVs, he added.

Mr. Ganesh said it would take much longer than 2030 for the implementation of an all-electric vehicle deadline globally and more so for India. He regretted that no one had analysed in-depth the environmental aspects of shifting fully to EVs.