

CASE 2 FINVISTA 25'

SocBiz Vale

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MARKET OVERVIEW

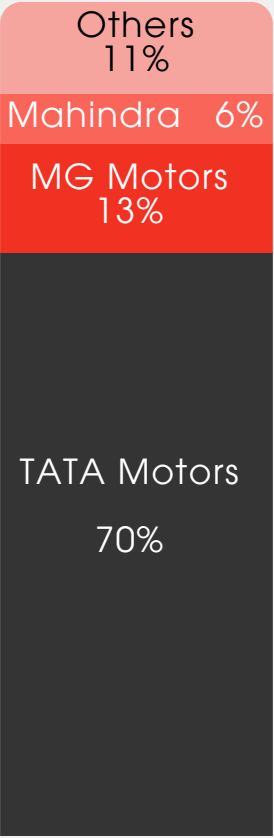
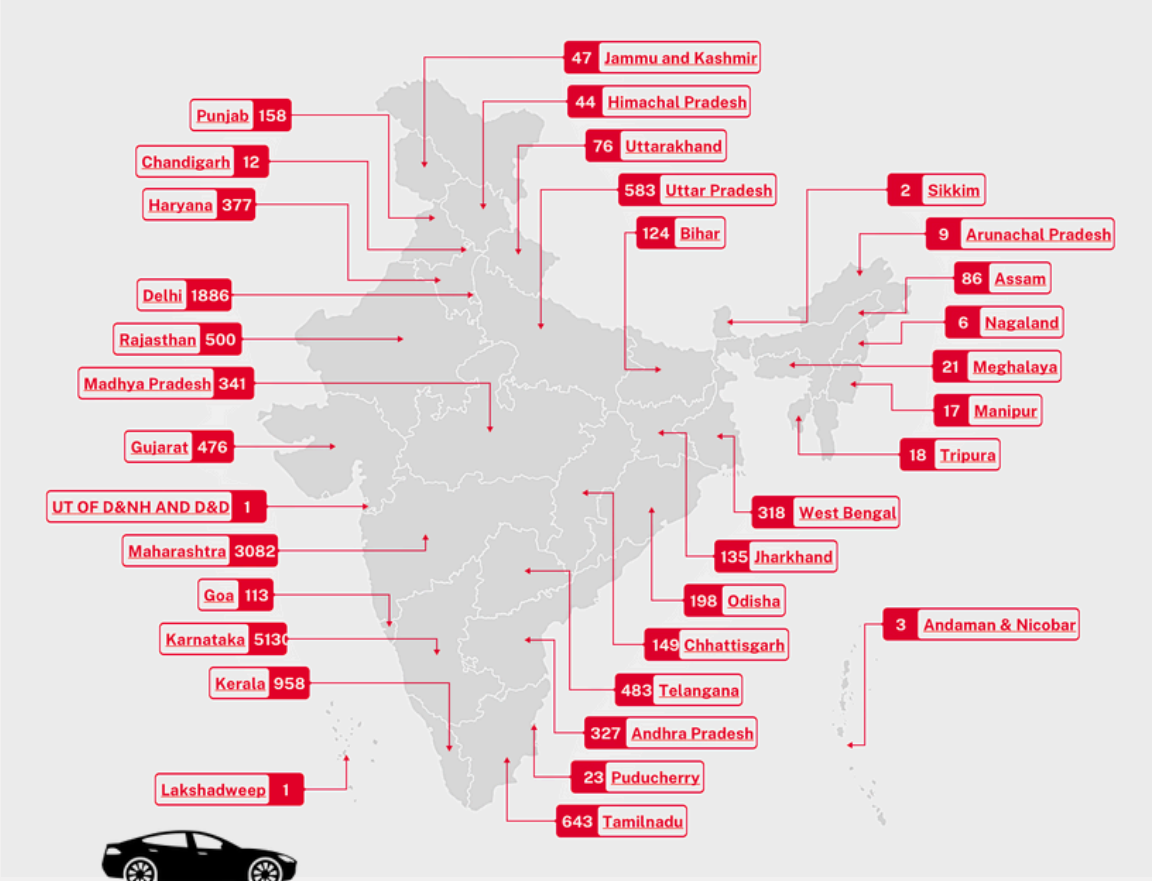
Key Players

TESLA

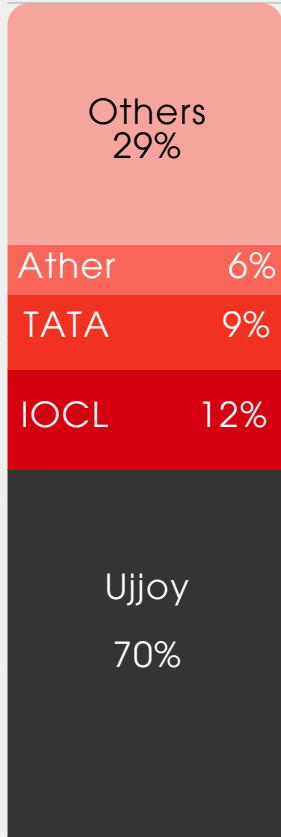
GLOBAL MARKET SHARE
19.9% \$1.4T

It is a American multi-national company founded in 2003, specialising in electric vehicles (EVs), renewable energy, and battery technology. Led by Elon Musk, it drives sustainable energy innovation globally.

Total Number of Public EV Charging Stations



E4W



Charger

EV MARKET SIZE

2024
\$5.22B
2029E
\$18.31B

CAGR
28.52%

BATTERY MARKET SIZE

2024
\$16.77B
2028E
\$27.70B

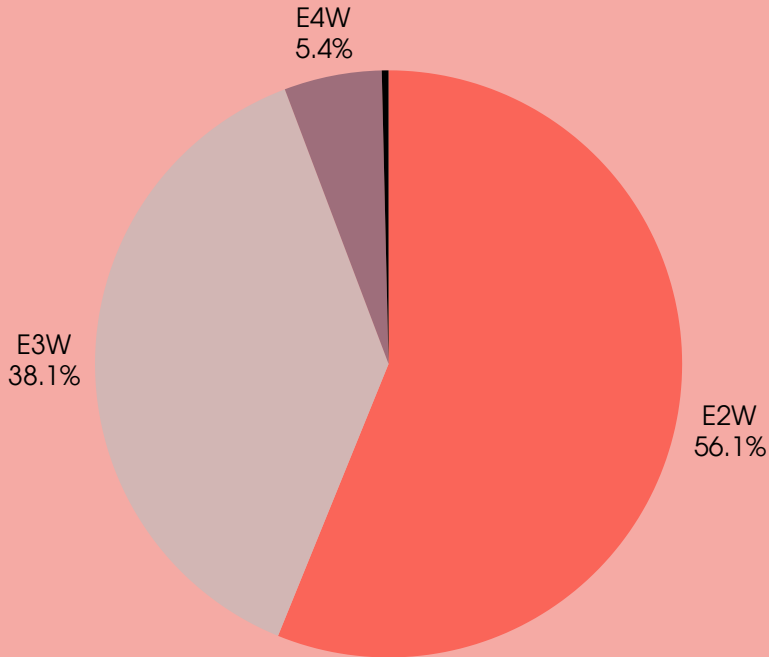
CAGR
10.56%

CHARGER MARKET SIZE

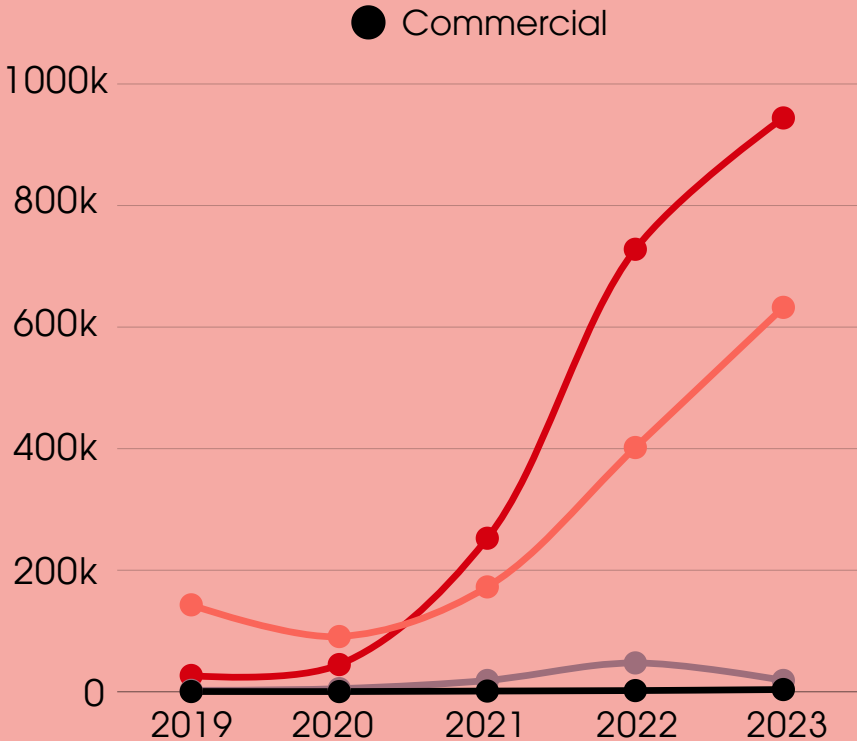
2024
\$818.5M
2028E
\$4263.7M

CAGR
39.1%

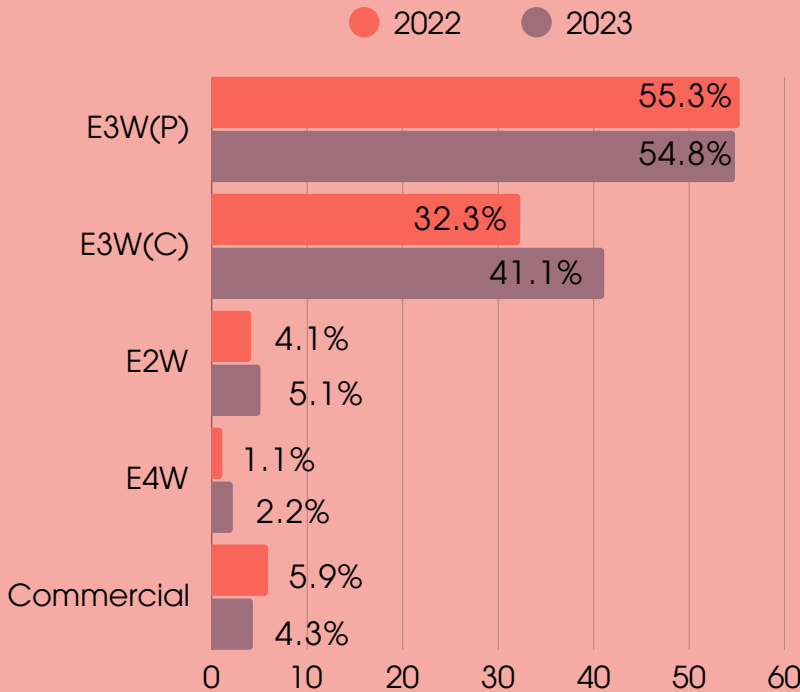
SEGMENT WISE SALES CY23



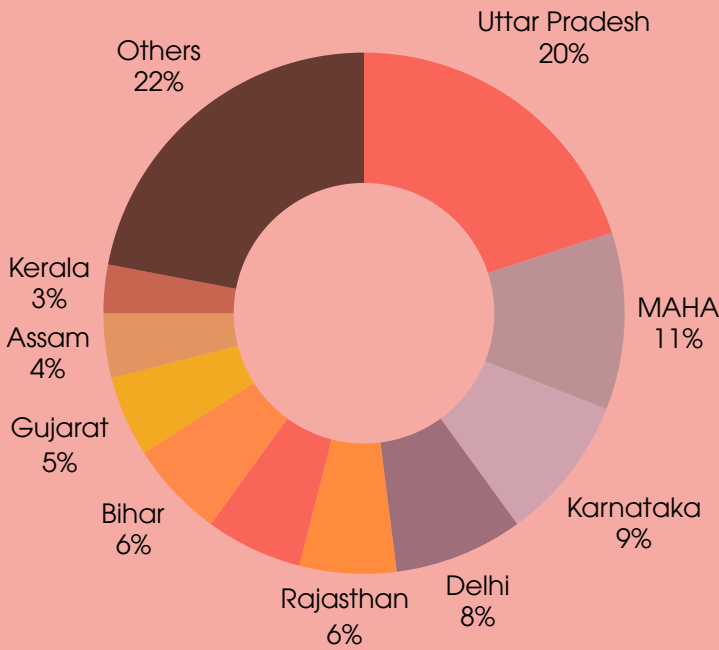
EV SALES TREND FOR LAST 5 YEARS



SEGMENT WISE PENETRATION % CY23



STATE WISE EV ADOPTION % CY23



*E - ESTIMATED

Market Overview

Target Market & Incentives

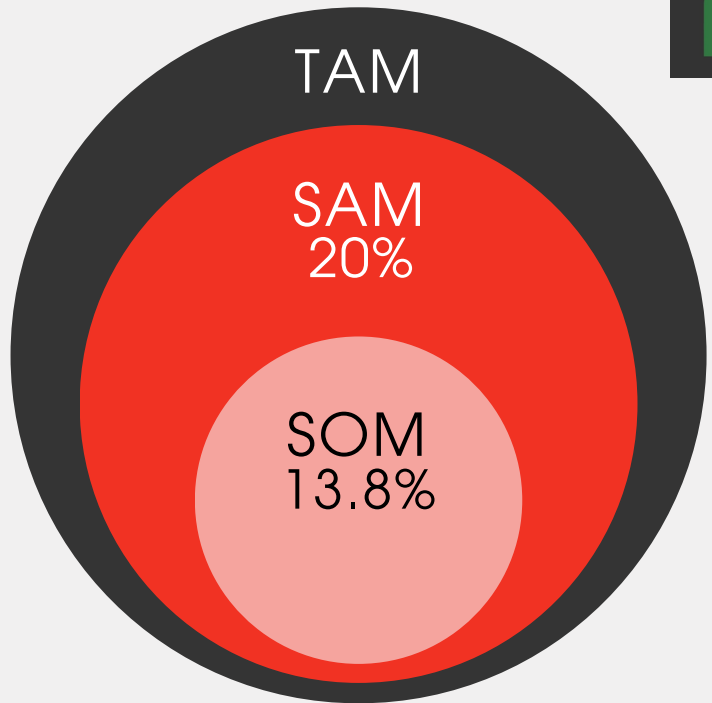
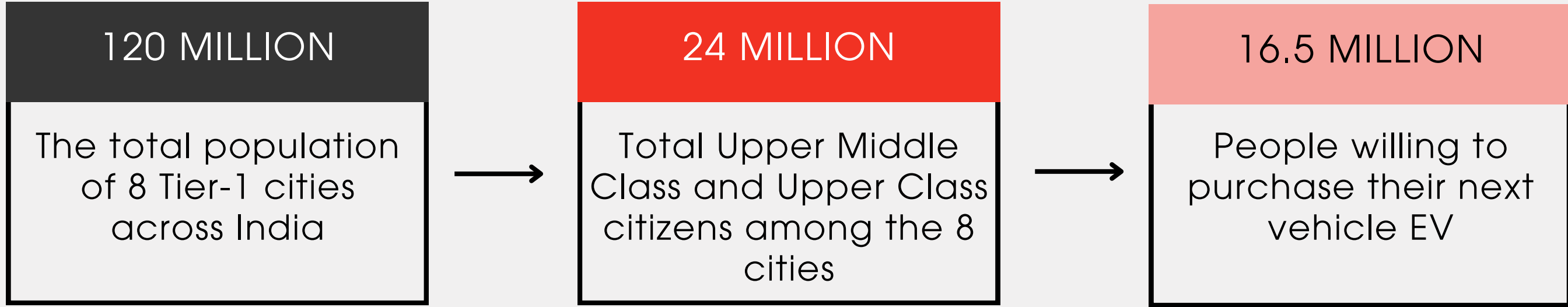
Frameworks

Ecosystem Analysis

Market Entry & Roadmap

Cost-Benefit Analysis

TARGET MARKET



GOVERNMENT SUBSIDIES

FAME II

- Faster Adoption and Manufacturing of Electric Vehicles scheme is India's key national policy relevant for EVs. It allocates **USD 1.4 billion** over three years from 2019 for **1.6 million** hybrid and electric vehicles and includes measures to promote domestic manufacturing of EVs and their parts.
- Under India's FAME II programme, **USD 133 million** is budgeted for charging infrastructure

PERFORMANCE LINKED INCENTIVES

- The government has reduced the import duty tax from **100%** to **15%** for upto 8000 vehicles per year for 5 years reducing the cost to buyers with the requirement of setting up a manufacturing unit within **3 years**.
- The Ministry of Heavy Industries has also sanctioned **Rs. 800 Cr.** as capital subsidy for establishment of **7,432** electric vehicle public charging stations.

CONSUMER INCENTIVES

- Incentive of **Rs.10,000** for every kWh of battery capacity for all EVs.
- GST on EVs was reduced from **12% to 5%**
- GST on chargers and charging stations reduced from **18% to 5%**.
- EVs **exempted** from road tax, parking charges and toll charges in specific states



FRAMEWORK ANALYSIS

THREAT OF NEW ENTRANTS

The EV industry is capital and labor-intensive, posing entry challenges. However, growing public interest, government incentives, rising startup support attract new players, leading to increased competition.



BARGAINING POWER OF BUYERS

Customers have moderate power due to high EV demand and multiple suppliers balancing prices. Options exist, but competition helps manage buyer influence. Indian market is very price sensitive.

HIGH

MODERATE

THREAT OF SUBSTITUTES

Few substitutes exist for EVs, as sustainable transport options like hydrogen vehicles or cycling have limited support and functionality due to limited R&D and Advancement

COMPETITIVE RIVALRY

The market is crowded with major players like TATA, MG Motors, and Mahindra . China leads in EV sales, and new entrants amplify competition. Tesla’s strong brand and charging network remain competitive advantages.

BARGAINING POWER OF SUPPLIER

Suppliers hold significant power due to dependency on unique inputs like lithium for batteries, which make up 40% of vehicle costs. Shortages in lithium, aluminum, and chips further increase supplier leverage.

LOW

LOW

HIGH



POLITICAL

- Policies like FAME-II and PLI offer subsidies and Incentives; \$1.1B in EV incentives till now
- 70% of EV parts sourced from China
- 25+ states with separate EV policies

ECONOMIC

- High price sensitivity in auto market, where luxury vehicles represent only 1.5%
- High interest rates affect vehicle financing options.
- Limited Charging Infra. causes rise in total cost of ownership

SOCIAL

- Indian consumers want to shift to renewable/green energy.
- Preference for Premium Brands has increased.
- Lot of car buyers prioritize price-to-features ratio over brand name

TECHNOLOGICAL

- Rapid development of charging infrastructure but needs to pickup pace.
- Grid infrastructure challenges may affect charging reliability
- Emerging battery production ecosystem in India

ENVIRONMENTAL

- Target for reduced carbon emissions and improved air quality
- Environmental regulations now stricter, favoring EV adoption
- Growing renewable energy capacity helps clean energy

LEGAL

- Requirements for local manufacturing under "Make in India" initiative
- 5-year minimum warranty mandate
- Evolving regulations around autonomous driving features

ECOSYSTEM ANALYSIS

MARKET SIDE

SUPPLY CHAIN SIDE

PROBLEM

SOLUTION

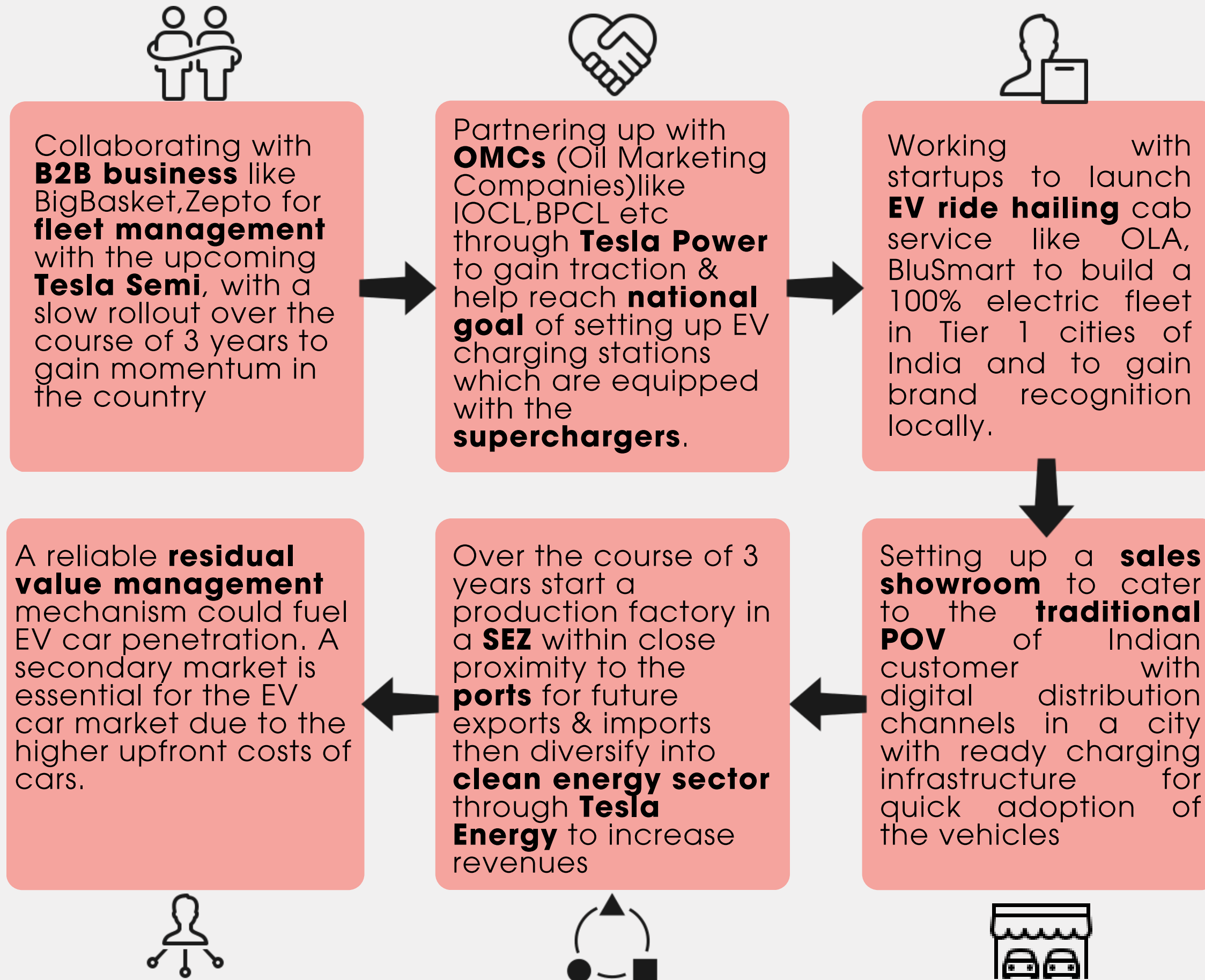
Performance	Import/Export	Costing	Charging
<ul style="list-style-type: none">EVs face challenges in range, infrastructure, safety & component lifespan like Battery fires & battery life	<ul style="list-style-type: none">India's E4W sector struggles globally due to limited standards adherence, with auto component exports under 2% and few EV parts.	<ul style="list-style-type: none">E4Ws cost 53% more than ICEs due to expensive batteries and limited scale, with high upfront costs, financing issues & weak resale market.	<ul style="list-style-type: none">Limited public chargers for 4-wheelers, especially in rural & highway areas, with non-standard systems causing compatibility issues.
<ul style="list-style-type: none">Conduct rigorous testing, set quality standards & ensure compliance with certifications through regular reviews, inclusive warranties.	<ul style="list-style-type: none">Leverage India's material strengths via corridors & FTAs, aligning manufacturing and standards with global benchmarks.	<ul style="list-style-type: none">Leverage green funds, carbon taxes, and 3-way partnerships to finance xEV adoption, support recycling, and promote battery second-life initiatives.	<ul style="list-style-type: none">Promote BaaS, uniform charging standards, and upgrade grids to prioritise xEV charging with solutions like V2V charging.

© - Customer Pain Points

Raw Material	Renewable Energy	Investment
<ul style="list-style-type: none">Imports and limited raw materials; lowers domestic value add and raise supply chain risks. India lacks battery material recycling	<ul style="list-style-type: none">Charging E4W strains the grid, which lacks uniform capacity. Renewable energy in EV charging is limited (currently 9.9% grid mix).	<ul style="list-style-type: none">Battery/SC manufacturing requires huge investments for low order sizes, challenging without guaranteed demand.
<ul style="list-style-type: none">Localize manufacturing with recycling and H2 tech investments; secure supply contracts for converters, batteries, and chargers.	<ul style="list-style-type: none">Encourage open access for green energy in EV chargingBuild partnerships among STUs, energy providers, OEMs, and infra. players.	<ul style="list-style-type: none">Strengthen PLIs for EV partsSubsidize capital equipment imports.Aggregate demand to lower costs through bulk production.



MARKET ENTRY



Tesla's Market Positioning and Pricing

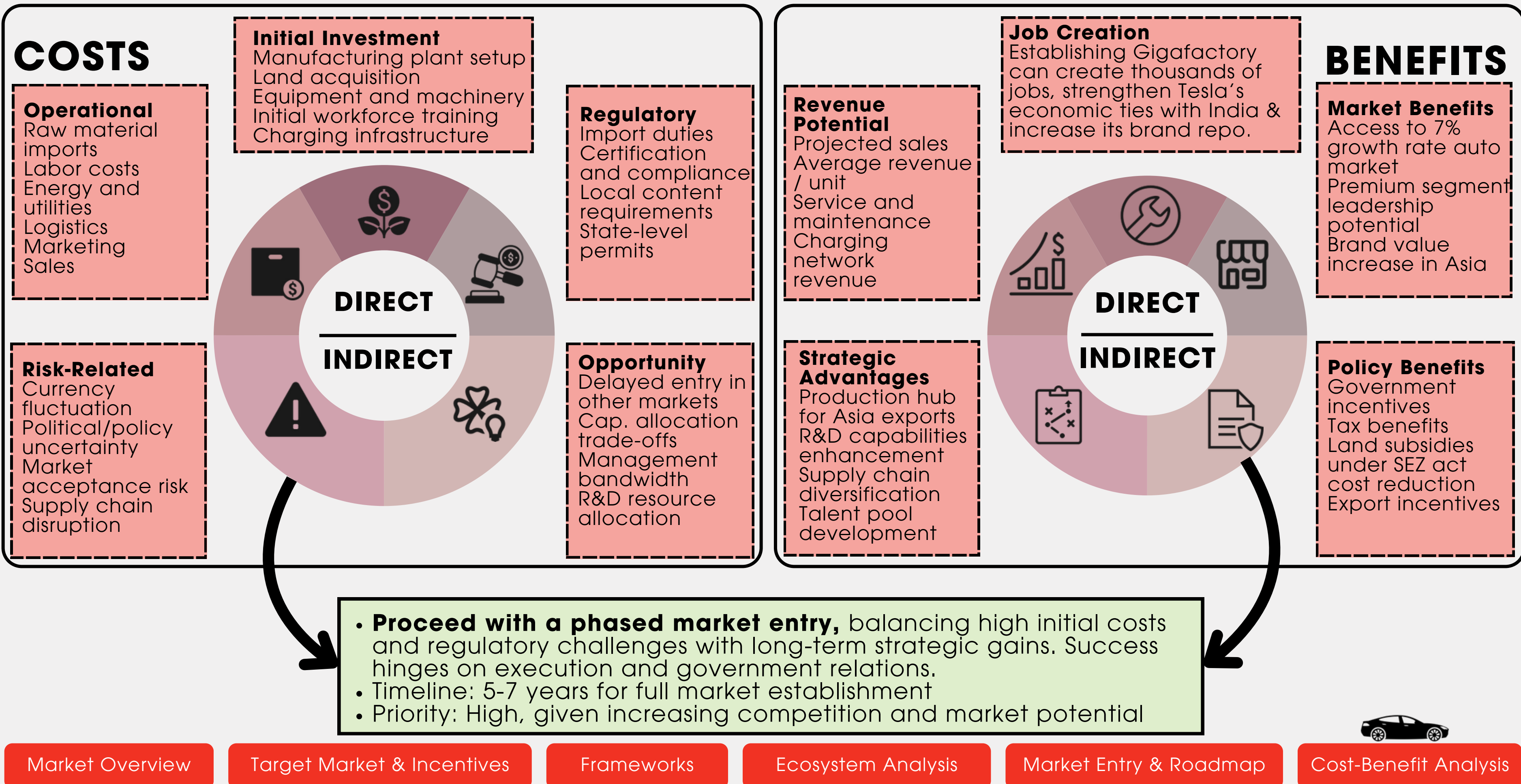
Tesla categorises its Indian customers into three different segments so that it can render its services accordingly:

1. **Luxury Vehicle Buyers:** Status-conscious luxury vehicle owners will be consumers of Model S.
2. **Tech-Savvy Millennials:** Tech-loving millennials are drawn by innovations and features
3. **Upper-Middle Class Families:** Emphasis on low-cost, eco-friendly solutions that emphasise the total cost of ownership

Tesla's positioning strategy balances premium positioning with affordability to Indian consumers:

1. **Initial Entry via Price Skimming:** Model S will start at the high end and cater to the high-income segment whereas Model 3 will be for the middle class. Later, Tesla can launch Model 2 to promote mass-market affordability
2. **Value Proposition:** Emphasize the cost of ownership over a lifetime and present the economic benefits of ICE vehicles

COST BENEFIT ANALYSIS





THANK YOU