E-commerce and FMCG industries zooming ahead with EV demand

Economic benefits and sustainability goals propel shift to EVs in e-commerce and consumer goods sectors.

by **Staff Writer** | August 28, 2023   SHARE   f   🐦   ✉   in

The demand for electric vehicles (EVs) has doubled among ecommerce companies and consumer goods manufacturers, aiming to reduce costs and meet carbon emission targets. Major players like Amazon, Hindustan Unilever, Swiggy, Coca-Cola, Zomato, Amul, Flipkart, BigBasket, and Bisleri are transitioning to EVs to serve both consumers and retailers.

As per Amul's Managing Director, Jayen Mehta, they have incorporated EVs for ice-cream vending, and their milk distributors are now utilising EVs in Delhi, Uttar Pradesh, Haryana, and Punjab.

The ecommerce sector is notably embracing electric three-wheelers. Amitabh Saran, Co-founder of the electric three-wheeler company Altigreen, emphasised that operating costs are a mere fraction of those for diesel or CNG vehicles, resulting in significant savings for operators.

Over 100,000 electric cars and around a million electric two-wheelers (E2Ws) are projected to be sold this fiscal year, up from approximately 50,000 electric cars and 727,000 E2Ws in FY23.

Companies are investing in charging infrastructure alongside vehicle adoption. Amazon India plans to partner with Eicher Motors and buses for 1,000 electric trucks, while TVS Motor Co. has joined forces with Zomato for 10,000 electric scooters.

Economic factors are propelling the transition to EVs. Sameer Aggarwal, Founder, RevFin, a company that finances commercial EVs, emphasised that electric vehicles have notably lower running costs per kilometre compared to petrol or diesel vehicles.

Around 50-55 per cent of the three-wheeler market is presently electric, and this is projected to increase to 80 per cent within a year. In the two-wheeler segment, 60-70 per cent of the market is expected to transition to electric in the next three years.