Ola Seat

A guaranteed, electric seat for India's daily commute — 100 million of them by 2035

OLA ELECTRIC · APM PRODUCT ASSIGNMENT · OCTOBER 2026

The answer in one line. Build Ola Seat: a monthly-pass, reserved-seat, electric micro-transit network for the "middle 12 km" of the Indian commute, run on a purpose-built 7-seat Ola Pod. It costs less than a bike's all-in cost (and close to its running cost), is far safer than riding one, and is predictable in a way buses and cabs are not. I sell a *seat on a schedule*, not a ride on demand — because commitment is what makes shared transport cheap enough to reach 100 million people.

1. Who I am building for, and the problem

Target user: the **12-km commuter** — a worker or college student aged 20–45 in a city or its peri-urban belt, travelling roughly 6–20 km each way to a job or campus cluster, 5–6 days a week, household income of about ₹4–15 lakh a year (A1). Two illustrative composites stand for this segment:

Ravi, 31, plant technician. Rides a petrol bike 12 km each way. Spends ~₹2,300 a month on it, breathes the dust, rides through rain, and knows two colleagues who have been hurt. He would switch if something safer cost no more and did not add an hour.	**Meera, 27, software tester.** Does not ride a two-wheeler. Takes a bus plus a shared auto, 75 minutes each way, standing for most of it. Cabs cost ~₹8,000+ a month. She has turned down a better job because the commute was unsafe after dark.

The problem: for a 6–20 km trip, every option fails on at least one thing that matters. **Two-wheelers** are cheap but dangerous. **Buses and shared autos** are cheap but slow, crowded and unreliable. **Metro** is excellent where it exists but stops short of most homes and workplaces. **Cabs** are comfortable but cost 3–4× a bike. So India defaults to the motorbike and pays for it in lives, time and air. **There is no affordable, reliable, safe and comfortable way to cover the middle 12 km, every day.**

How today's options compare for a 12-km, 24-day-a-month commute (A4)

Option	Monthly cost	Safety	Time and reliability	Comfort
Petrol two-wheeler	**~₹2,300**	**Poor (45% of deaths [2])**	**Fast, but at the mercy of traffic**	**Heat, rain, dust, parking**
City bus / shared auto	**~₹700**	**Mixed; worse after dark**	**Slow and unpredictable**	**Often standing**
Metro (where it exists)	**~₹1,540 + last mile**	**Good**	**Good, but stops short of homes**	**Good**
Cab / auto	**~₹8,600**	**Good**	**Variable; surge pricing**	**Good**
Ola Seat (proposed)	**~₹1,730**	**Good: vetted driver, CCTV, SOS**	**Fixed ±3 min; ~1.25× a bike's time**	**Reserved AC seat**

594M
urban Indians projected by 2036, up from 377M in 2011; 70%+ of all population growth is urban [1]

45%
of road deaths in 2023 were two-wheeler riders (~75,000 people); 73% of them unhelmeted [2]

1.5×
longer to cover a given distance at peak than off-peak in Delhi, Mumbai, Bengaluru, Kolkata [5]

23M
passengers a day on all of Indian Railways [3]; all metros in 26 cities carry ~11.5M [4]

2. Why this matters in 2035

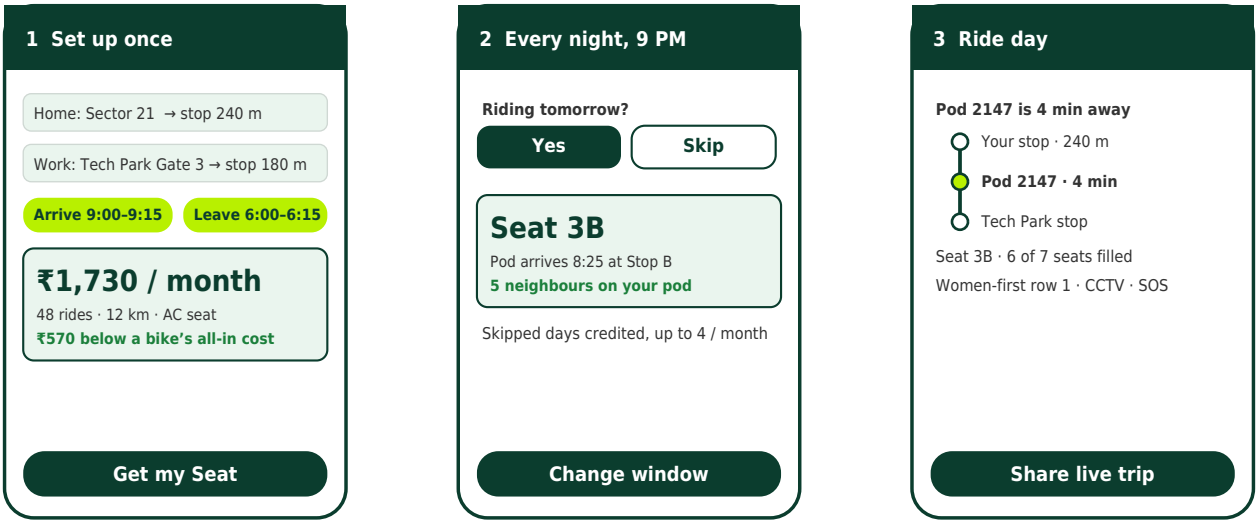
- **The cities India adds are not the cities metros serve.** About 217M more people will live in urban India in 2036 than in 2011 [1], much of it in tier-2 cities and peri-urban belts, where a metro line is a decade away and bus systems are thin.
- **Aspiration collides with road space.** Incomes will rise and every bike rider will want a car. Roads cannot absorb that. If the answer to "what next after the bike?" is a personal car, urban India gridlocks (the four biggest metros already lose an estimated US$22B a year to peak congestion, a 2018 estimate [5]).
- **The bike is the single largest killer on Indian roads.** Two-wheelers are 74% of registered vehicles and 45% of deaths, and the share of deaths has risen from 30% (2014) [2]. A safer default mode is a public-health product, not only a transport one.
- **Women's participation (A2) is gated by commute safety.** Rising female workforce participation will only convert to jobs if the journey feels safe. This is a large, underserved, high-loyalty segment.
- **The enablers now exist (A3):** cheap EV cells and packs, UPI AutoPay for monthly passes, NCMC cards for multi-modal fares, and good map and routing data. Ten years ago a monthly seat subscription was not buildable.

3. What I am building: Ola Seat

Ola Seat sells a guaranteed seat on a fixed daily schedule between your home stop and your work stop. Under the hood it is a planned micro-transit network: because every passenger has committed to a route and time window, Ola can plan vehicles like a private metro instead of gambling on on-demand dispatch.

COMMIT	CLUSTER	ROUTE	RIDE	LEARN
Monthly pass for a home→work window	Neighbours on the same corridor grouped	Pods planned weekly from pass data	Reserved seat, AC, tracked, safe	Retention and delays re-tune the routes

The loop that makes it cheap: the pass is the demand signal; demand signal makes routes dense; dense routes fill seats; full seats make the pass cheaper than a bike; a cheaper pass sells more passes.



- **One-time setup (2 min):** Ola proposes virtual stops within ~400 m and a pass price.
- **Zero daily effort:** one tap at night, or do nothing and ride.
- **Predictable:** the same pod, the same neighbours, ±3 min.
- **Safe:** driver KYC, CCTV, SOS, live trip share, women-first seating.
- **Flexible:** skip or swap days; up to 4 skipped days a month are credited.
- **One pass** that also works as a metro/bus feeder (NCMC, UPI).

Key product decisions

Decision	What I chose	Why
Unit sold	A seat on a schedule (monthly pass)	Commitment gives predictable demand, so routes can be planned and costs fall. On-demand pooling can't promise a price or a pickup time.
Vehicle	**Ola Pod**: low-floor 7-seat electric van, ~₹6 lakh target (A5), swap-ready 4680 pack, sliding doors, belts, AC	Small enough to run dense neighbourhood corridors, big enough for ~₹3/km seats. Break-even at ~3.5 riders per pod (page 4), far easier to fill than a 40-seat bus.
Price	~₹3 per passenger-km; ~₹1,730 / month for a 12-km commute (12 km × 2 trips × 24 days × ₹3; derivation on page 4)	Below a bike's all-in cost (₹2,300) but slightly above the running cost of a bike already owned (~₹1,600); 5× cheaper than cabs (₹8,600); above a bus (₹700) because it buys a seat, AC and time certainty. First buyers: non-owners and people deciding whether to replace their bike.
Door-to-door time	Aim to be within ~1.25× of a bike at peak (about 45 min vs 36 min for 12 km), not faster	I will not promise to beat a bike in traffic. The win is safety, a seat, no parking, no fuel, and a fixed time. Bus-lane access closes the gap.
Driver	Human driver at launch; pod has a sensor and compute bay for autonomy later	The product must work without a 2035 technology bet. Autonomy only lowers cost (see page 4).
Distribution	Employers, campuses and housing societies bring cohorts (pass as a salary benefit)	A cohort of 150 neighbours on one corridor (the viability threshold) is worth more than 1,500 scattered downloads.

A day with Ola Seat (Meera)

9:00 PM	8:19 AM	8:25–9:00 AM	6:05 PM	Month end
Taps "Yes" for tomorrow. Two seconds.	Walks 3 minutes to Stop B. Pod is 6 minutes away on the map.	Same pod, same five neighbours. AC seat; her family sees the live trip.	Return pod from Tech Park. Women-first row, same stop, same time.	UPI AutoPay renews the pass; skipped days are credited.

4. Why this solution: alternatives I considered and rejected

I compared six ways to give 100 million Indians a daily non-bike commute against what matters most: can it reach 100M users, what does it cost the commuter per month, how much does it depend on things outside Ola's control, and does it use Ola's strengths.

Option	Reach 100M?	Cost to commuter	External dependency	Fit with Ola	Verdict
A. Personal micro-EV car (₹3 lakh, 2-seat)	**No**	**Medium (EMI + parking)**	**Low**	**High**	**Reject.** Wrong unit: ownership can't reach 100M daily users in 10 years, and it deepens the road-space crunch.
B. Autonomous robotaxi	**Eventually**	**High → low**	**Very high (tech, law, Indian roads)**	**Medium**	**Defer.** Make it an upgrade path, not the premise.
C. On-demand pooled cabs	**Partly**	**High (₹10–15/km)**	**Low**	**Medium**	**Reject.** Fine for occasional trips; too dear and too uncertain for a daily commute.
D. Electric buses / bus aggregation	**Yes**	**Lowest**	**Very high (routes and permits are state-controlled)**	**Low**	**Partner, don't lead.** Uber closed its shuttle buses in Mumbai and Hyderabad on low ridership, cost and permit problems [6]; Ola's own shuttle closed after 28 months [7].
E. Shared electric 3-wheeler	**Yes**	**Low**	**Medium**	**High**	**Reject as core.** Open body, weak safety and comfort; crowded with cooperatives and incumbents. Does not move riders off the bike.
F. Ola Seat: scheduled EV micro-transit	**Yes (needs ~2.5M pods)**	**Low (~₹1,730)**	**High (new permit class)**	**High**	**Choose. Best balance of reach, cost and control. Permits are the main risk (per-seat fares fit awkwardly in today's rules); I sequence around it with employer-contract pilots.**

What earlier shuttle attempts teach, and what I do differently

In my read, bus-shuttle start-ups and Ola's and Uber's own shuttles struggled for three recurring reasons: demand that wasn't committed (so buses ran half-empty), growth bought with discounts, and permits designed for a different kind of vehicle. A study of Shuttl in Delhi-NCR found it served a different, higher-income segment than public buses and needed a smartphone [8] — so the opening for a mass-market product is real, but only if costs are structurally lower. Ola Seat changes the three things that hurt:

- **Committed demand:** a prepaid pass replaces per-ride discounting. A route only launches when enough pass-holders sign up.
- **Structurally lower cost:** electric energy, a vehicle designed for shared use, and break-even at ~3.5 of 7 seats rather than a half-full bus.
- **Permits first:** I enter only where a state allows this vehicle class and use the pilots to co-write a micro-transit permit with transport departments.

Trade-offs I am knowingly making

I chose…	…over	What I give up
Shared seat	Owned vehicle	Privacy and the status of owning. Accepted: only sharing scales to 100M on finite roads.
Scheduled	On-demand	Spontaneity. Accepted: regular commuters value certainty over flexibility. Skips and swaps keep it flexible enough.
The 6–20 km band	Short hops and long-distance	Walking-distance trips and intercity. Those are served by e-rickshaws, metro and rail; Seat feeds them.
Human driver first	Autonomy first	Lower long-run cost. Accepted: it lets me launch in 2027 and keeps the driver as a safety asset for women riders.
Subscription revenue	Per-ride commissions	Upside from surge pricing. Accepted: a flat, fair pass is the brand promise.
Cannibalising Ola's own scooters	Protecting them	Some scooter sales. Accepted: better that Ola replaces the bike commute than a competitor does.

First 90 days: testing the riskiest assumptions before building anything

Assumption	Cheapest test	Success signal (my targets)
Bike riders will pay ~₹1,730 a month to switch	Invite ~3,000 commuters on 3 corridors via employers; pre-sell passes before any vehicle is bought	≥15% prepay a month (~450 people, 150 per corridor)
A corridor can reach 3.5+ riders per pod	Leased e-vans on 3 corridors, routes planned by hand from pass data	Load ≥3.5 by week 8 (break-even)
We can operate legally	Pilot as employer-contracted staff transport (an existing permit class, to confirm with counsel) while negotiating a micro-transit class with one state	Written state support for phase 2
Women choose Seat for safety	Women-first row, live trip share, vetted drivers	Women ≥35% of pass-holders; NPS ≥55

5. Why Ola is positioned to build this

Ola asset	Why it matters for Ola Seat
Vertical integration: in-house 4680 "Bharat Cell" gigafactory, packs, motors, vehicle software [9]	Battery is the largest single cost in an EV van. Owning the cell-to-pack chain gives Ola a credible path to the ₹6 lakh pod target and swap-ready packs. The catch is scale: 2.5M pods × ~40 kWh ≈ 100 GWh of cells in total (~35 GWh a year at the 2035 peak), against ~6 GWh of capacity today and a stated long-term plan of 100 GWh [9].
Retail and service footprint: 4,000+ stores [9]	Pods need depots, charging, service and fleet-owner onboarding in 60+ cities. Stores are a head start and a direct line to today's bike buyers.
Energy business: Ola Shakti storage built on the same cells [9]	Depots can pair solar with Shakti storage to cut energy cost below grid tariffs, and give retired pod packs a second life.
The target customer is already Ola's: two-wheeler commuters	Ola knows this buyer, the channel and the objections better than a cab or bus company does.
Group adjacencies (assumed commercial partnerships, A6): Ola Maps, Krutrim AI, Ola Consumer's driver network	Route clustering, demand forecasting and driver supply. The group's earlier Ola shuttle (closed after 28 months [7]) taught the cost of discount-led growth.

Honest gaps. Ola Electric's scooter registrations fell over 51% in 2025 and its share was about 9% in Dec 2025 [10]; in my assessment, perception of service quality needs rebuilding. A fleet product lives or dies on uptime, so Ola Seat commits to a contractual **≥97% pod uptime** for fleet partners and publishes it. This is also a reason to diversify beyond the scooter market.

6. Unit economics: the product must pay for itself

How the ₹1,730 pass is built. 12 km × 2 trips × 24 days = 576 passenger-km a month; × ₹3 = ₹1,728, shown as ~₹1,730 (48 rides). The ₹3 is a price I chose and then tested against cost: at 4 riders the system costs ₹10.5 per vehicle-km, which is ₹2.6 per passenger-km, so ₹3 leaves a 13% margin. It sits just above a metro fare (~₹2.7 [11]) and a bike's running cost (₹2.8), and well below a bike's all-in cost (₹4). It scales with distance: ~₹865 a month for a 6-km commute, ~₹2,880 for 20 km. Here "4 riders" means billed passenger-km per vehicle-km, after detours and empty legs.

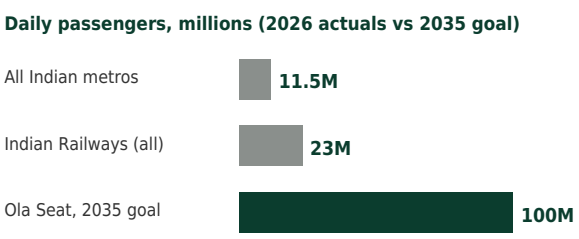
Per vehicle-km (A4)	₹	Note
Revenue: 4 avg riders × ₹3/pax-km	**12.0**	Average across peak and off-peak; 57% of 7 seats
Vehicle depreciation + finance	1.8	₹6 lakh over 6 years plus 9% finance on the average balance; ~69,000 km a year (240 km × 288 commute days)
Energy	1.2	0.13 kWh/km at ₹9/kWh blended (solar + storage depots)
Driver	5.2	₹20k a month × 1.5 drivers (two staggered shifts) = ₹3.6 lakh a year; removed by autonomy
Maintenance, insurance, permits	1.1	~₹75k a year (assumed)
Ola platform, support, ops	1.2	Fixed ₹1.2 per vehicle-km, which is 10% of revenue at 4 riders
Total cost per vehicle-km	**10.5**	
Left for fleet-owner return and buffer	**1.5 (13%)**	**Break-even load: 3.5 riders of 7 (50%).** With autonomy: 1.8 riders.

Margin per vehicle-km (total cost ₹10.5)	3 riders	4 riders	5 riders	4 riders, ₹2.5/km	4 riders, ₹3.5/km	4 riders, ₹8L pod
At ₹3 per passenger-km unless stated	−₹1.5 (loss)	**₹1.5 (13%)**	₹4.5 (30%)	−₹0.5 (loss)	₹3.5 (25%)	₹0.9 (7%)

Per pod-year at 4 riders: revenue ₹8.3 lakh; Ola's fee ₹0.8 lakh; fleet-owner residual ₹1.0 lakh (17% of the pod's cost) after depreciation and finance. Honest read: thin at 4 riders, healthy at 5. The levers are occupancy, price, pod cost (an ₹8 lakh pod needs 3.7 riders to break even) and driver cost (autonomy cuts break-even to 1.8). The biggest threat to the 4-rider average is directional imbalance, with pods full in the peak direction and near-empty in reverse (6.3 riders one way and 1.7 the other average 4.0), so routes must pair cohorts such as reverse-commuters, students and shift workers. Ola earns ~₹170 per pass-holder per month from the platform fee (₹1.2 × 144 vehicle-km), so acquisition cost must stay under ~₹700 for a four-month payback.

7. How it reaches 100 million users

Scale in context. 100M daily riders is about **4× the 23M passengers Indian Railways carries a day** and 9× all metros combined [3][4]; counting both legs of the commute, ~200M trips a day. That is roughly one in two motorised commuters in India's functional-urban areas (A7). Ola Seat must become the default replacement for the bike. I treat 100M as the ceiling case; even 40–50M is a very large business, and the stage gates below tell us early which path we are on.



What 100M requires (A4, A7)

- 2.4B passenger-km a day (100M riders × 2 trips × 12 km)
- Each pod delivers ~960 passenger-km a day (240 km × 4 riders)
- So **~2.5M pods**, about ₹1.5 lakh crore (~US$17B) between 2029 and 2035, peaking near ₹50,000 crore in 2035
- Funded by fleet owners, banks and battery-as-a-service, **not** Ola's balance sheet
- Peak build rate of ~0.9M pods a year (2035) needs contract-manufacturing partners
- Pass revenue at scale ≈ ₹2 lakh crore a year; Ola's 10% take ≈ ₹20,000 crore, plus pods, packs and energy

7b. What must be true to reach 100M, and the stage gates

Condition	Target	How I move it
1. Permits	A shared EV micro-transit permit class in 60+ cities	Launch only where legal; co-design the permit with 2–3 states using pilot safety and congestion data. The #1 risk.
2. Cost	Cost ≤₹2.6 per passenger-km at ≥4 riders per pod (price ₹3)	Cell-to-pod integration, solar depots, weekly route re-optimisation, pass pricing tuned to load.
3. Density	≥150 pass-holders per direction, per peak window, per corridor	Employer and campus cohorts; routes open only after a sign-up threshold.
4. Capital	~₹1.5 lakh crore over 2029–35 (average ~₹21,000 crore a year); peak ~₹50,000 crore in 2035	Fleet-owner programme, bank and NBFC partners, battery-as-a-service, Ola pack buy-back as a residual-value floor; contract manufacturers to reach ~0.9M pods a year.
5. Depots	~20,000 charging and service depots (~125 pods each)	Ola stores plus partner land; solar + Shakti storage.
6. Trust	Safety and reliability women rate as better than any alternative	Driver KYC, CCTV, SOS, women-first seating, ≥97% uptime SLA, public safety reporting.
7. Habit	≥80% monthly renewal	Skips and swaps, family and employer passes, reliable ±3 min windows.

Phase	What happens	Gate to proceed
Prove 2027–28	3 cities, ~60 corridors, ~9k pass-holders, ~300 leased third-party e-vans (software first, no Ola Pod yet)	90-day retention ≥75%; load ≥4.0 riders; on-time ≥90%; CAC payback <4 months
Build 2029–31	Ola Pod launches; 15 cities; ~5M users; ~125k pods; permit class agreed in first states	Cost ≤₹2.6 per rider-km; renewal ≥80%; safety <1 injury incident per million trips
Blanket 2032–35	60+ cities and peri-urban belts; users 15M (2032), 35M (2033), 65M (2034), 100M (2035); pods 0.4M, 0.9M, 1.6M, 2.5M; autonomy pilots	Each city must hit unit-economics targets before the next wave

8. How I would know it is working

North Star: Daily Active Commuters (DAC) — unique people completing at least one Seat trip on a typical weekday. It is the 100M goal itself, and it can only grow if people ride, not just buy passes. I pair it with checks that stop me gaming it:

Layer	Metric	Target
Habit	Pass-holders riding ≥16 days a month; month-3 renewal	≥70%; ≥80%
Real shift	Users who gave up or cut a bike/car commute (survey + pass-start data)	≥40%
Reliability	Pickup within ±3 min; door-to-door time vs a bike; pod uptime	≥92%; ≤1.25×; ≥97%
Efficiency	Average riders per pod (billed passenger-km per vehicle-km); cost per passenger-km	≥4.0; ≤₹2.6 (≤₹1.3 with autonomy)
Trust	Women share of riders; incidents per million trips; NPS	≥35%; <1; ≥55
Guardrails	Fleet-owner earnings floor; no rise in vehicle-km per rider; complaint resolution <24h	Never breached

Top risks

- **Permits stall (high):** go state by state, publish safety and congestion data, keep bus partnerships for trunk routes.
- **Occupancy below 3.5 (high):** caused by one-way or peak-only demand. Routes open only after sign-up thresholds; pair peak and reverse cohorts, fill off-peak legs with students and shift workers; prune weak routes weekly.
- **Pod and service quality (medium):** uptime SLA, third-party fleet operators, and Ola's own stores as repair backstop.
- **Bikes stay "good enough" (medium):** owners compare Seat with their running cost (~₹1,600), not all-in cost. Start with non-owners, women, students and people at the replace-the-bike moment; win on safety, parking and employer-paid passes.

Assumptions (mine, to be tested)

A1 Segment is 6–20 km commuters with ₹4–15 lakh household income. **A2** Women's workforce participation keeps rising. **A3** UPI AutoPay, NCMC and map data stay open and cheap. **A4** Pod economics as on page 4, with 4 riders an average over all vehicle-km including the reverse-peak leg; bike all-in cost ₹4/km (running ₹2.8 = fuel 2.2 + upkeep 0.6, plus insurance and depreciation 1.2); bike covers 12 km in ~36 min including parking; cab/auto ₹15/km; bus ₹1.2/km; metro ₹32 per 12-km trip, ₹2.7/km [11]; 24 commute days a month. **A5** Pod achievable at ~₹6 lakh with in-house cells (most sensitive assumption; pack ~₹2.4 lakh at ₹6,000/kWh + rest ~₹3.6 lakh; pack must last ~1,350 full cycles over 6 years); ~40 kWh pack at 0.13 kWh/km (about 31 kWh a day, so one midday top-up or swap). **A6** Arms-length commercial agreements with Ola Consumer, Maps and Krutrim. **A7** Functional-urban population ~800M in 2035 (594M statutory urban, the 2036 projection [1], plus ~200M in peri-urban belts); ~45% commute daily (~360M); ~60% need a motorised ride (~215M); 100M ≈ 46%. **A8** ₹ at ~88 per US$. **A9** 1.5 drivers per pod at ₹20k a month; women ≥35% of riders (a stretch versus their workforce share, to test in the pilot). **A10** Pass-holders ≈ daily riders; up to 4 skipped days a month are credited, so revenue per ridden km stays ≈ ₹3.

Sources

[1] National Commission on Population, *Population Projections for India and States 2011–2036* (July 2020), via The Wire and PARI: 1.52B people, urban 377M (2011) to 594M (2036), 38.2% urban.
[2] MoRTH road-accident data (2023), via Newslaundry, 10 Nov 2025: two-wheeler share of deaths 45%; 73% unhelmeted; 74% of registered vehicles (2022).
[3] Business Today, 9 Jul 2026: Indian Railways ~23M passengers a day (FY2025–26). [4] UNI, 15 Mar 2026: metros in 26 cities ~1.15 crore journeys a day.
[5] BCG for Uber, *Unlocking Cities* (2018), via Quartz / Moneylife: peak travel 1.5× longer, ~US$22B a year congestion cost in four metros (Uber-commissioned).
[6] YourStory, Jul 2025, and Business Standard, Mar 2026: Uber shuttle exits and regulatory hurdles. [7] Entrackr: Ola shuts shuttle service after 28 months.
[8] WRI India note on Shuttl in Delhi-NCR. [9] Outlook Business (Oct 2025), Startuppedia and Inc42 reports on Ola Electric's 4680 Bharat Cell gigafactory, Shakti and 4,000+ stores.
[10] Business Standard, 2 Jan 2026 (VAHAN): Ola Electric 9.3% share in Dec 2025; Inc42 via Dailyhunt: 2025 registrations down 51% to 1.99 lakh. [11] Delhi Metro fares from 25 Aug 2025 (PTI / Business Today): 5–12 km ₹32.