

# Kenya's Mobius car-maker get investors

By: **AGENCIES**

**Nairobi** – Mobius Motors, Kenya's start-up auto firm that is building Africa's cheapest car, now has more chances of enhancing its production capacity after billionaire businessman Mahesh Chandaria's family has acquired an undisclosed stake in the venture.

Chandaria Industries, the makers of hygiene products, made the investment through capital injection into Mobius in return for a stake in the early stages of the car maker, highlighting increased investor interest in the low-cost vehicle market.

This came just a few months after US billionaire Ronald Lauder and former chairman of Citigroup Richard Parsons invested an undisclosed amount of money in the Kenyan motor company.

Darshan Chandaria, a director at Chandaria Industries, said the family had invested in Mobius to help the business tap into Kenya's growing motor market, diversify revenue streams and cut its dependence on hygiene products.

"We're excited about this investment because Mobius caters for a market segment in which no other firm is playing. Small businesses are looking for a new car that combines functionality and durability at an affordable price and this is what we are providing in Mobius," he said.

"We have done our research and given it a lot of thought," said the 29-year-old Chandaria scion, who brokered the deal.

The Mobius II brand is priced at Sh950,000, (Rwf7.6 million) excluding VAT or Sh1.1 million (Rwf8.8 million) inclusive of taxes – making it the lowest priced new vehicle in Kenya.

The low-priced car is the brainchild of Joel Jackson, a 29-year-old British entrepreneur who has lived in Kenya since 2009.

Jackson was recently included in the Forbes 30 under 30 listing of top entrepreneurs. He graduated in 2006 with a First Class honours degree in computer science from the Imperial College London.

Chandaria said Mobius' target market is small and mid-sized enterprises (SMEs) in agribusiness, infrastructure and supplies operating in remote rural areas and need a car that can withstand the rough terrain.

Lack of affordable commercial vehicles such as pick-ups has forced Kenya's rural-based SMEs to turn to the Toyota Probox, a station wagon, to ferry goods through the rough rural terrain.

The vehicle has been issued with an inspection certificate after undergoing quality checks by the Kenya Bureau of Standards.

Mobius said it will by next month start delivering the first batch of 50 vehicles pre-ordered by customers last year. The rugged automobiles are being assembled by the Thika-based Kenya Vehicle Manufacturers.

The vehicle has a carrying capacity of 625kg. The load capacity is equivalent to nine bags of maize, six bags of potatoes, about 50 6-kg cooking gas cylinders and several crates of beverages such as soda and milk. It has a four-cylinder 1,598 cc petrol engine, a 5-speed manual transmission, manual rack-and-pinion steering with a maximum speed of 120km per hour.

Makers of the car said they opted for petrol engine because it is more resilient to the variable quality fuels found in rural areas and easier to maintain compared to diesel.

Mobius II is billed as a fuel-efficient car that covers 14km with every litre of petrol. Its rugged build means it can reliably handle more degraded roads common in rural areas unlike normal sedans and station wagons.