India EV Market Trend Update 2025-Feb

INTAGE INDIA Pvt. Ltd.

Contents of this publication

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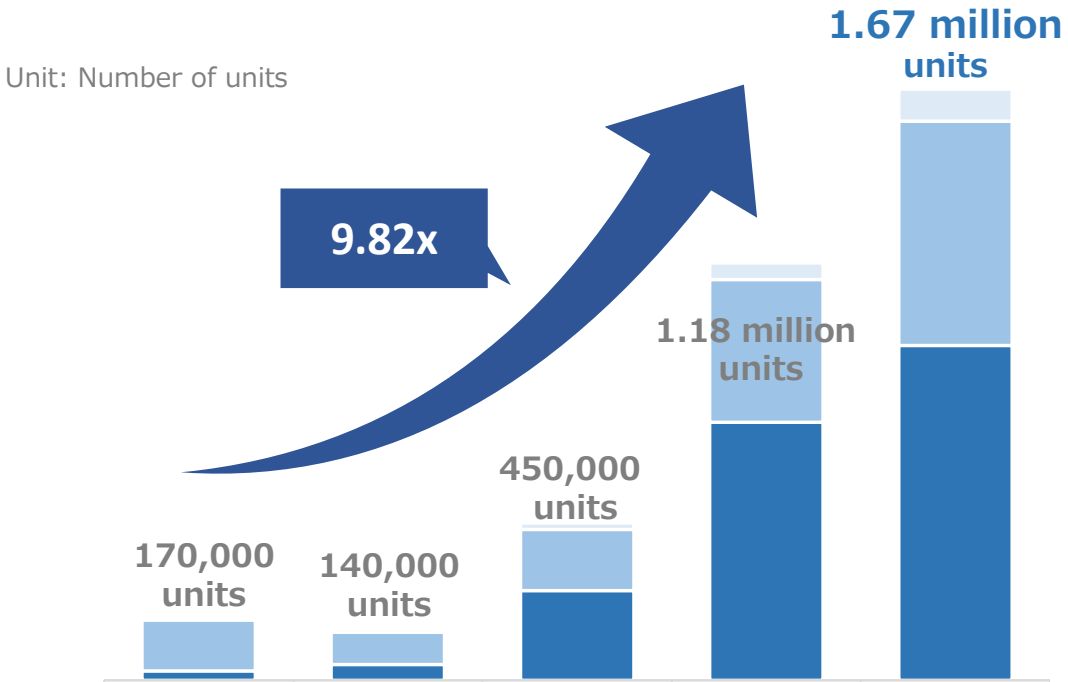
abbreviation	term
EV	Electric Vehicle
ICE	Internal combustion engine
FY	Financial year
FAME	Faster Adaptation Manufacturing of Electric Vehicle
EMPS 2024	Electric Mobility Promotion Scheme-2024
AUTO PLI	AUTO Production Linked Incentive

With some exceptions, it was created on 03 March, 2025.

EV Sales by Fiscal Year

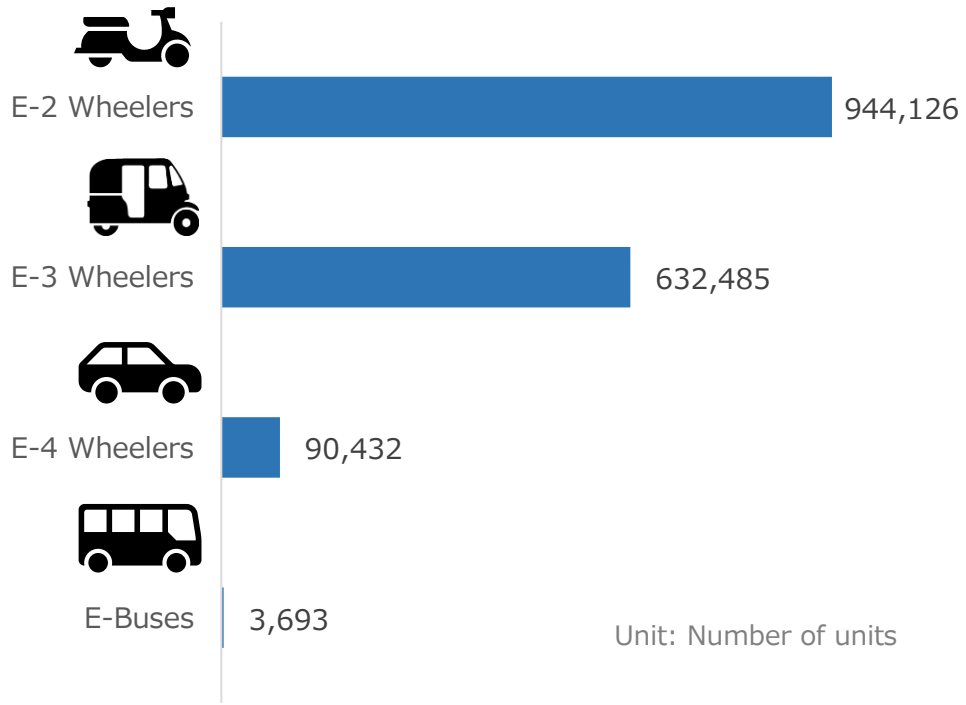
- Two-wheelers and three-wheelers account for the majority of sales in the Indian EV market. This is considered to be because, although the initial cost is a little higher than that of ICE vehicles, the difference in running costs enables the initial cost to be recovered.
- On the other hand, sales of four-wheelers are less than 100,000 units.

Unit sales by fiscal year



	19-20	20-21	21-22	22-23	23-24
E-Buses	434	373	1,194	1,984	3,693
E-4 Wheelers	2,377	5,154	18,622	47,499	90,432
E-3 Wheelers	143,051	90,898	172,543	401,882	632,485
E-2 Wheelers	26,834	44,803	252,642	728,054	944,126

Sales by vehicle type: FY24

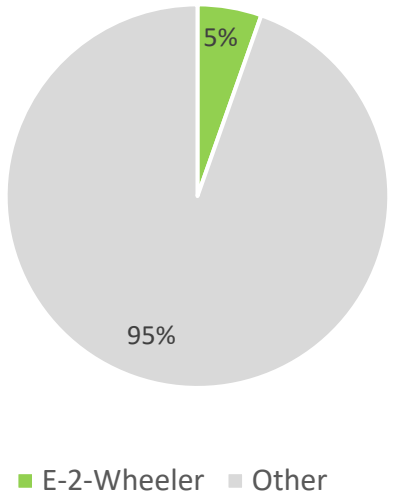


Source: SMEV. https://www.smev.in/statistics

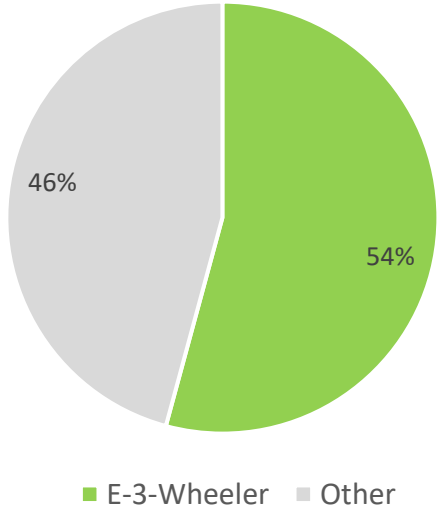
Percentage of EVs/hybrids in total FY24

- Sales of the 2-Wheeler and 4-Wheeler are on the rise, but at present, they account for less than 10% of the total sales, including gasoline types.
- On the other hand, the 3-Wheeler has more than 50% of EVs sold, and EVs are sold in a very large number.

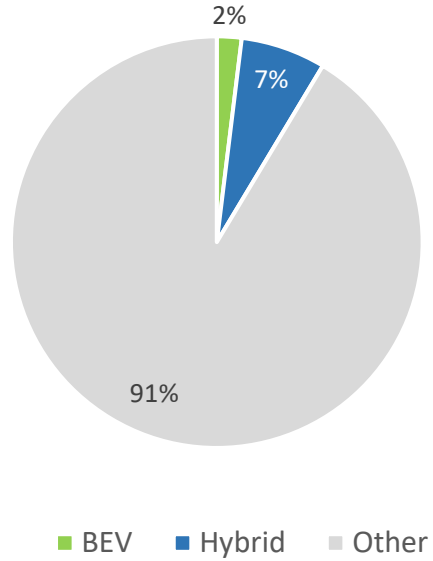
2-Wheeler



3-Wheeler



4-Wheeler

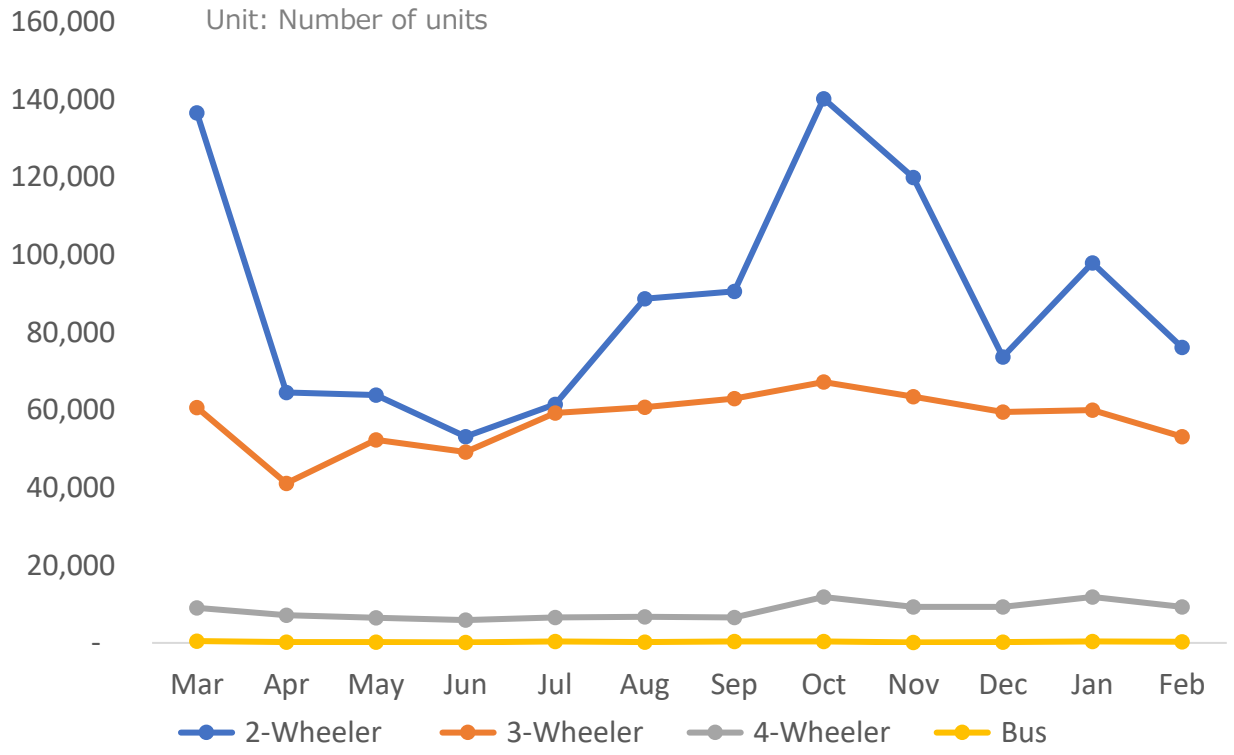


Source: VAHAN. (As of July 03, 2024). https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml

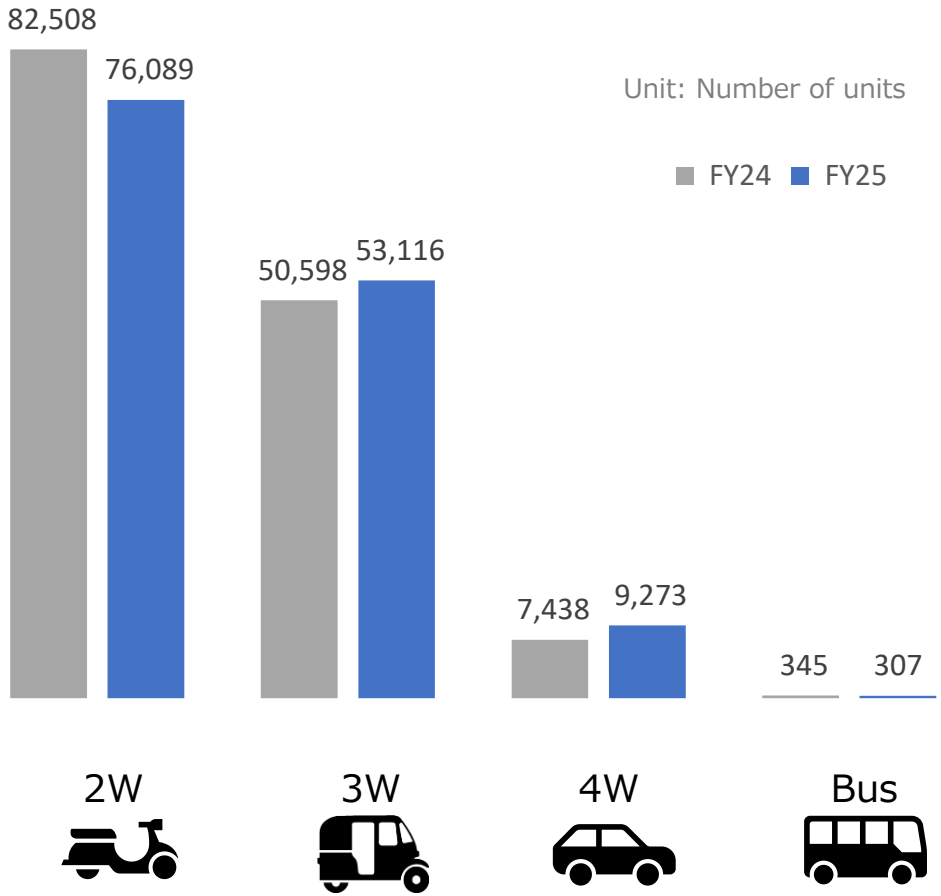
Comparison of unit sales by category

- In February, sales volumes in all categories showed a downward trend compared to January.
- Compared to the same period last year, sales of two-wheelers and buses were lower, but sales of three-wheelers and four-wheelers exceeded last year's figures.

Sales volume by category over the past year



Feb sales year-on-year: FY24 vs. FY25

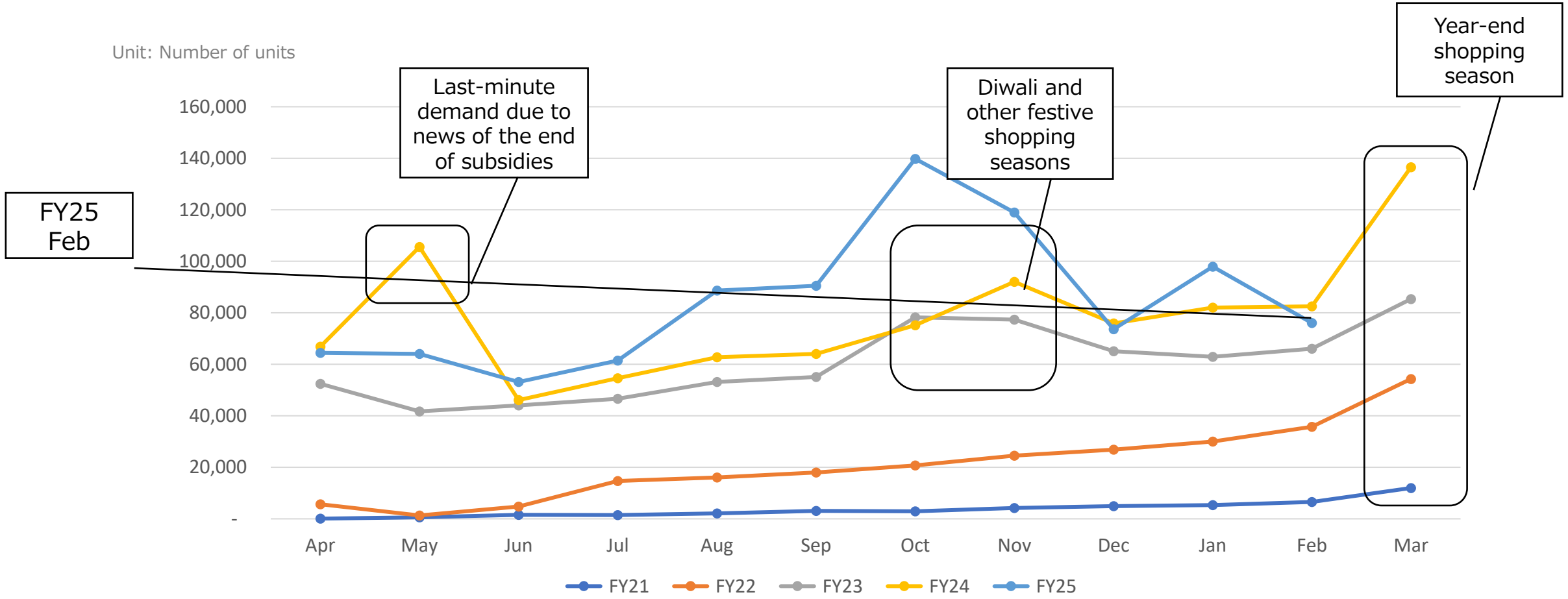


※3W includes e-rickshaw and e-auto

Source: SMEV. https://www.smev.in/statistics, VAHAN . https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml(as of March 03, 2025).

Electric two-wheeler sales by fiscal year

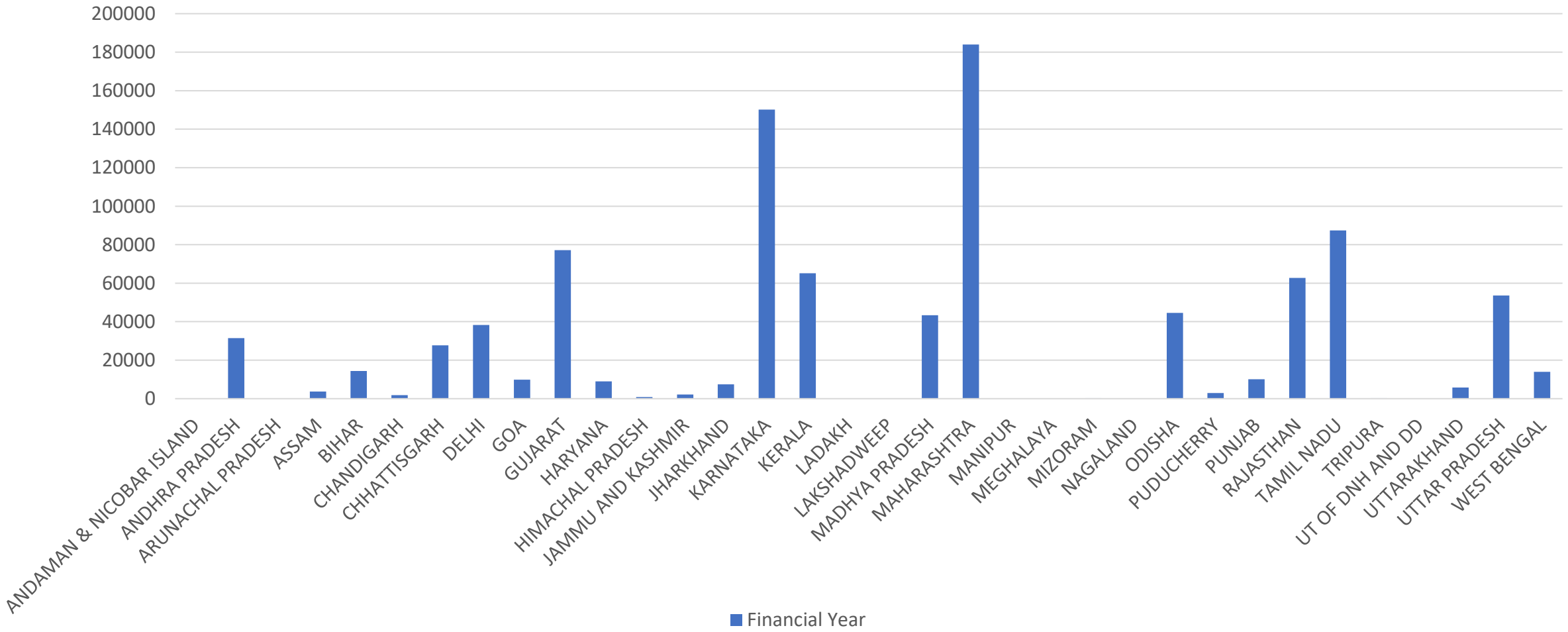
- The two-wheeler category has been increasing its sales every year, and FY24 has exceeded the previous year in almost every month of the year.
- The major shopping seasons in India are the festive season and the end of the year.



Source: SMEV. https://www.smev.in/statistics,
VAHAN . https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml(as of Sep 09, 2024, Updated March 03, 2025).

Electric two-wheeler Sales by state FY 23-24

- The share of two-wheeler sales is high in South India such as Maharashtra and Karnataka.

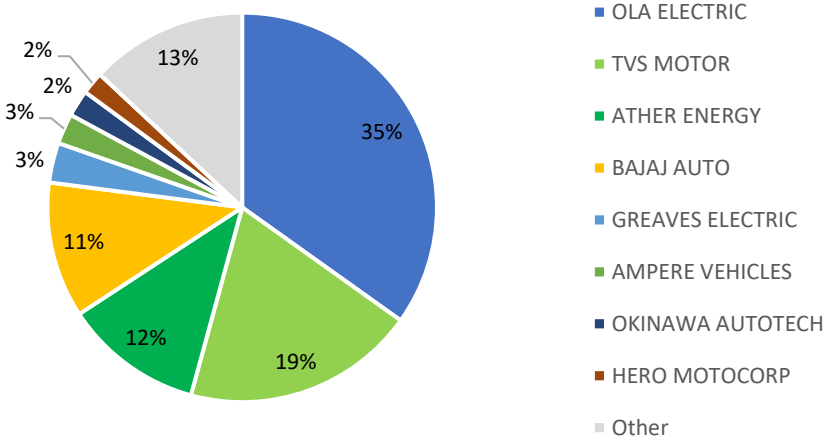


Source: VAHAN. https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml (accessed 02/12/2024)

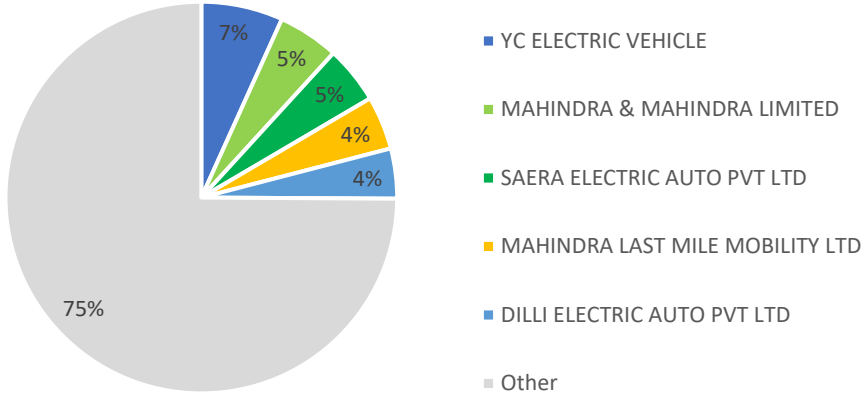
Share of sales by manufacturer: FY24

- In the two-wheeler segment, OLA leads the way, followed by TVS, Ather, and Bajaj, with the top four companies accounting for 77%.
- In four-wheelers, TATA now controls two-thirds of the market share, followed by MG Motor and Mahindra.

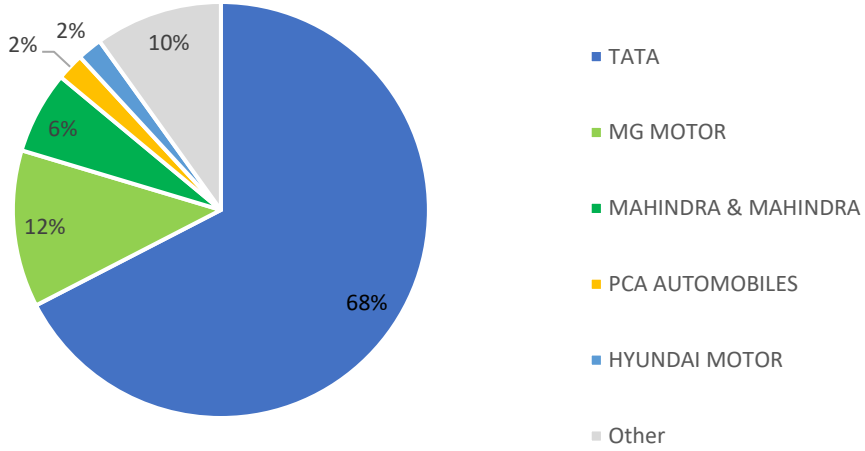
2-wheeler



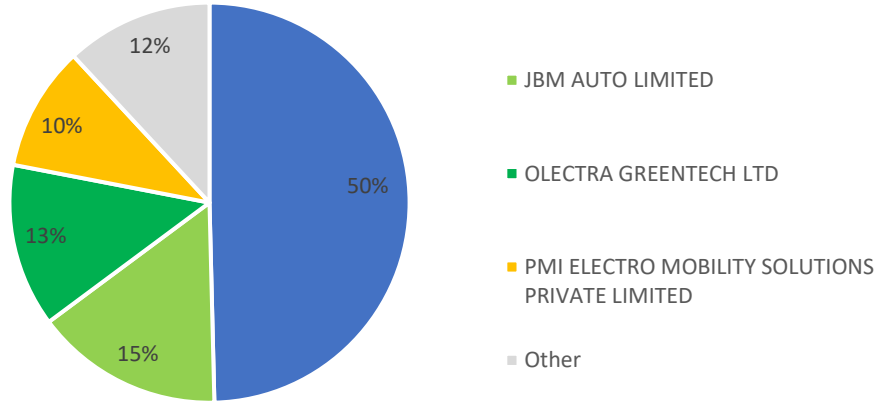
3-wheeler



4-wheeler



Bus



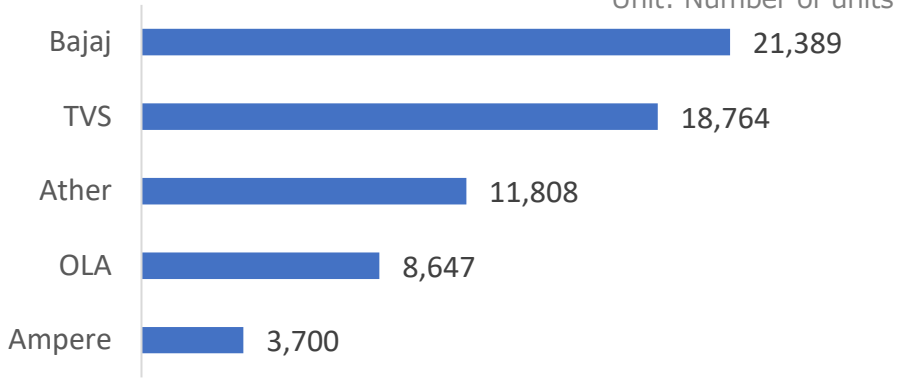
Source: VAHAN. https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml

Top 5 Best-Selling EV Brands: Feb 2025

- In February, Bajaj, TVS, and Ather outperformed OLA, and OLA is struggling in the competition to gain market share
- In the four-wheeler segment, Hyundai surpassed Mahindra to secure the third position.

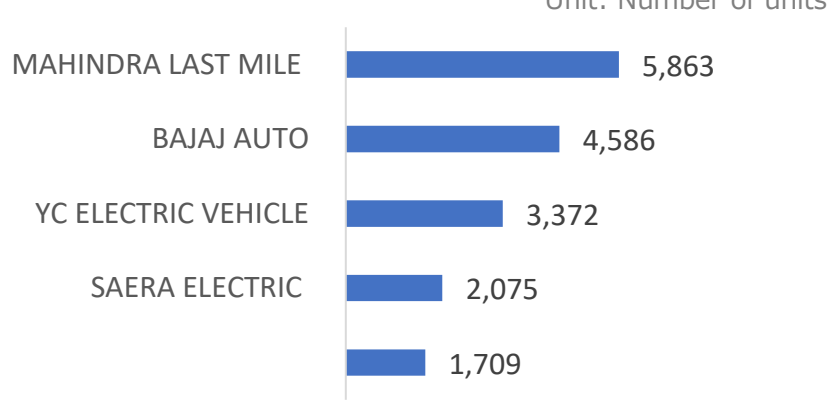
Top 5 2W

Unit: Number of units



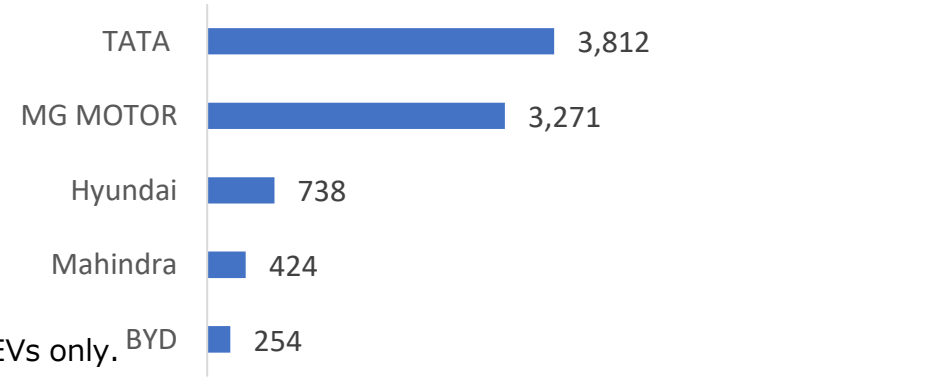
Top 5 3W

Unit: Number of units



Top 5 4W

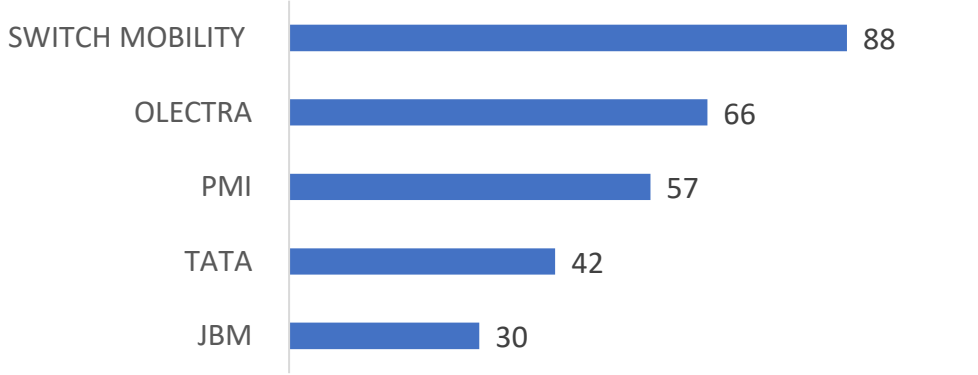
Unit: Number of units



*EVs cover BEVs only.

Top 5 Bus

Unit: Number of units



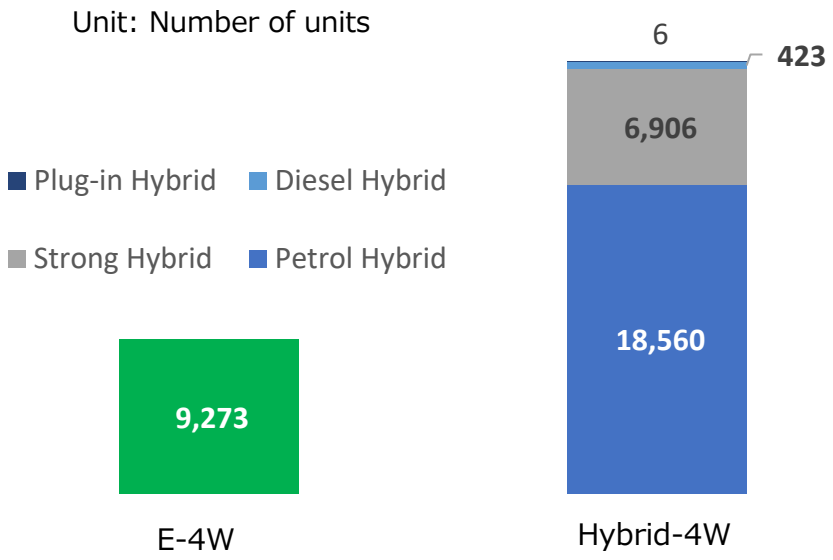
Source: VAHAN. (as of March 03, 2025). https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml

Comparison with hybrid vehicle sales volume and EVs in Feb

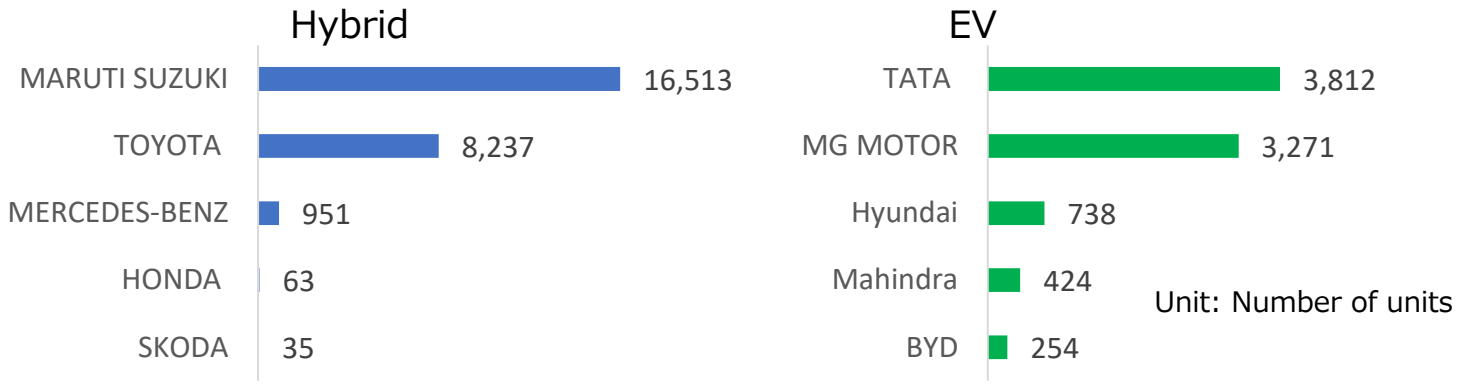
- In a comparison of EVs and hybrids, hybrid sales far outnumber electric four-wheelers.
- Hybrid vehicle mainstream Maruti Suzuki and Toyota are number one and number two in terms of volume, followed by EV mainstream Tata. Hybrid vehicles are currently the mainstream in India.

Comparison of EV and hybrid sales

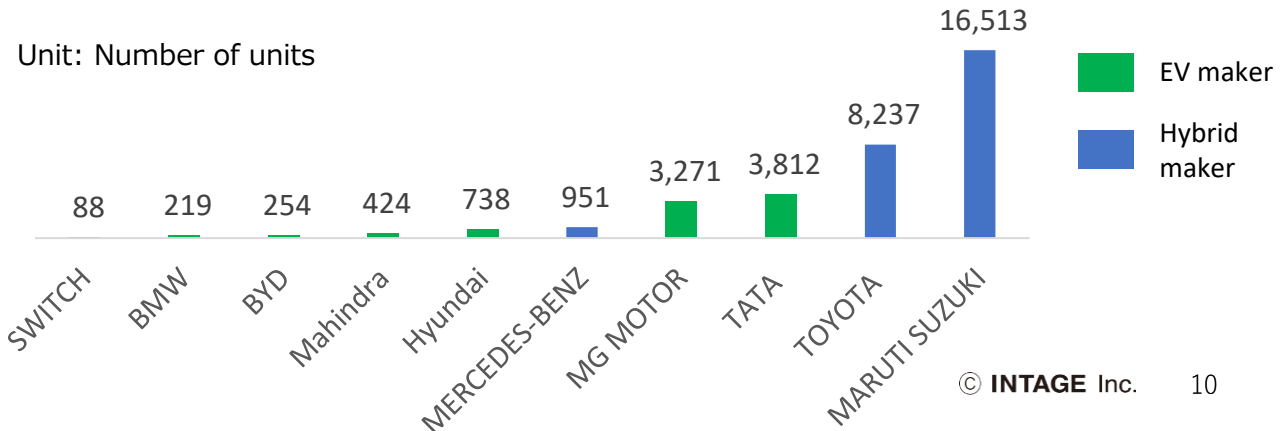
Total Sales: 35,168 units
(EV : 9,273 units、Hybrid : 25,895 units)



Comparison of EV and hybrid sales by manufacturer



Comparison of total sales of EVs and hybrids by manufacturer



* Hybrids include diesel hybrids, petrol hybrids, plug-in hybrids, and strong hybrids.

Source: VAHAN (as of March 03, 2025).
https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml

Trends in EV Policies

- The Faster Adaptation Manufacturing of Electric Vehicles (FAME 2) ended on 31 March 2023 and a new government-led policy Electric Mobility Promotion Scheme-2024 (EMPS 2024) was launched on 1 April.
- FAME 2 was planned for three years (eventually five years) and covered not only two and three-wheelers but also four-wheelers and buses, with a budget of R100 billion. On the other hand, EMPS2024 will be implemented for four months, with a budget of RUR 5 billion and will only cover two and three wheelers as the targeted EV categories.
- Support for four-wheelers and buses will continue under the Auto PLI and PM-eBus Sewa Scheme, which are already in place.

	FAME 2	EMPS 2024
Implementation Period	• 3 years (eventually 5 years) (April 1, 2019 - March 31, 2024)	• 4 months (April 1, 2024 - July 31, 2024). Extended 2 months
Budget	• 100 billion rupees (eventually 115 billion rupees)	• 5 billion rupees (of which 3.333 billion rupees will be allocated to two wheels))
Eligible Vehicle Models	• e-2-wheeler、e-3-wheeler、e-4-wheeler Strong Hybrid 4W, e-Buses	• e-2-wheeler ・e-3=wheeler
Subsidy for purchaser	Purchase subsidy amount • All types except 10,000 rupees/kWh buses (20% of price) • 20,000 rupees/kWh bus (40% of price) Approximate maximum subsidy amount • 2 wheels: 20,000 rupees • 3 wheels (including e-rickshaw): Rs 50,000 • 4 wheels: No upper limit. However, up to 1.5 million rupees of the ex-factory value.	Purchase subsidy amount • 5,000 rupees/kWh for e-2-wheeler ・e-3-wheeler Maximum subsidy amount (Or 15% of factory price, whichever is lower) • 2-wheeler: 10,000 ルピー • E-Rickshaw ・e-cart: 25,000 ルピー • E-3-wheeler (L5 カテゴリー): 50,000 ルピー
Subsidies for manufacturers	• The manufacturer receives a refund as a sales incentive.	• The manufacturer receives a refund as a sales incentive.
Domestic manufacturing requirements	• Localization of manufacturing • Phase manufacturing Program (PMP) is applicable.	• Localization of manufacturing • Phase manufacturing Program (PMP) is applicable with small changes.
Installation of charging stations	• Assistance in setting up charging stations	• Not planned.

Source: Ministry of Heavy Industries
https://heavyindustries.gov.in/sites/default/files/2024-03/emps-2024.pdf
https://fame2.heavyindustries.gov.in/content/english/11_1_PolicyDocument.aspx

AUTO PLI Overview

- The GOV offer different scheme for complete EV vehicle manufacturers and for advanced component manufacturers, with different incentive rates, etc.

Item	OEM Incentive Schemes	Incentive Scheme for Component Companies
Eligible products	• Battery Electric Vehicle • Hydrogen fuel vehicle	• Components using advanced automotive technology • CKD/SKD Kits • Vehicle Aggregate
Criteria	OEM • Global group revenue (from automotive and/or automotive component manufacturing): 100 billion rupees. • Investments: fixed assets by the company or its group companies (gross): 30 rupees billion. • Minimum domestic new investment requirement.	Components • Global group revenue (from automotive and/or automotive component manufacturing): 5 billion rupees. • Investments: fixed assets by the company or its group companies (gross): 1.5 billion rupees. • Minimum domestic new investment requirement.
Incentive Rates	• 13~16% of sales	• 8~11% of sales
Additional Incentives	• Cumulative total of over R100 billion +2%.	• +2% for a cumulative total of over R12.5 billion • +5% for electric/hydrogen fuel cell vehicles
Other criteria	• At least 50% domestic added value • At least 10% increase in sales in the following year	

Source: myscheme. https://www.myscheme.gov.in/schemes/plisaaci#eligibility

EV News: Feb 2025

- ## Expansion of EV Battery Production

Union Finance Minister Nirmala Sitharaman today announced the Union Budget for 2025, which includes key updates across various sectors. To support the growing demand for new energy vehicles, the focus is on reducing costs to improve local manufacturing. To support the demand for electric vehicles within India, the Union Minister announced the addition of 35 capital goods to the list of materials exempt from Basic Customs Duty (BCD). These exemptions aim to lower the manufacturing costs of EV batteries in India. Specifically, key raw materials such as lithium-ion battery scrap, cobalt powder, cobalt waste, lead, zinc, and 12 other critical minerals will be exempted.
https://www.ndtv.com/auto/budget-2025-ev-battery-production-gets-boost-bcd-exemption-on-35-additional-goods-7610701

- ## In response to Tesla's entry, the government is set to announce a new EV policy that includes new investment rules.

The Indian government is expected to promulgate the new electric vehicle (EV) policy, which was announced last March, soon. This new policy may mandate a revenue target of 250 billion rupees by the second year of implementation. Companies will be allowed to set up assembly plants within existing factory premises, but at least $500 million must come from new capital infusion, excluding upfront investments or costs related to land and buildings. Companies meeting these conditions may benefit from a significantly reduced import duty of 15%, compared to the current 110% tariff.
https://economictimes.indiatimes.com/industry/renewables/govt-set-to-notify-new-ev-policy-with-new-investment-rules-as-tesla-prepares-for-india-entry/articleshow/118415610.cms?from=mdr

- ## Tesla to Enter India

The American EV giant Tesla is set to open its first showroom in India in early April. The locations are planned to be Aerocity in Delhi and Bandra Kurla Complex in Mumbai. Additionally, Tesla plans to offer models starting from 21 lakhs. With Tesla's entry, there is significant interest in how it will impact the EV landscape in India.
https://economictimes.indiatimes.com/industry/renewables/tesla-coming-to-india-know-car-prices-showroom-locations-everything-about-elon-musks-ev-disruptor/articleshow/118383834.cms?from=mdr

- ## OLA to Deliver Roadster X Series in Mid-March.

OLA to Deliver Roadster X Series in Mid-March Announced in 2024, OLA's Roadster series marks the company's first foray into the bike segment. Deliveries of this model are set to begin in mid-March. The price starts at 74,999 rupees
https://www.business-standard.com/industry/auto/ola-electric-enters-ev-motorcycle-segment-with-launch-of-roadster-x-series-125020501527_1.html

- ## TATA.ev Plans to Install 400,000 EV Charging Points by 2027

Indian EV giant Tata reportedly plans to more than double the number of EV charging points in the country to 400,000 by 2027 to expand the domestic EV charging infrastructure. With the growing EV population in India, the utilization rate of chargers has already increased. Initially, the utilization rate was 3-4%, but it now exceeds 20% at key locations, with large-scale deployed chargers reaching a breakeven point at a utilization rate of around 10-15%.
https://www.business-standard.com/industry/auto/tata-ev-plans-to-double-india-s-ev-charge-points-to-400-000-by-2027-125021301444_1.html

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