India EV Market Trend Update 2025-Jan

INTAGE INDIA Pvt. Ltd.

Contents of this publication

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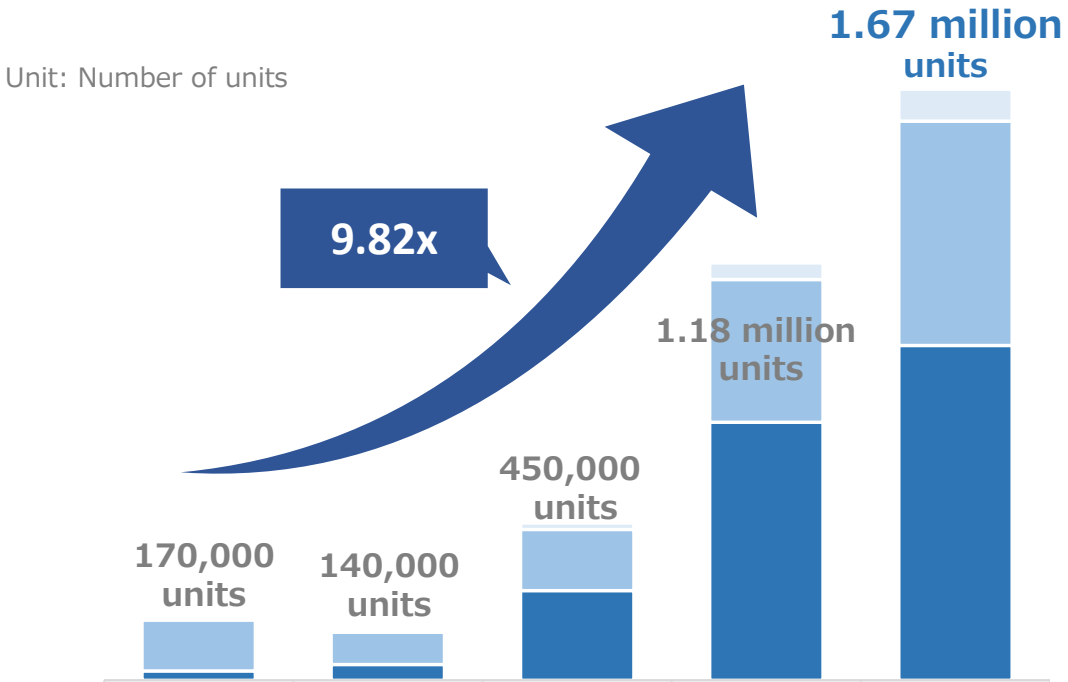
abbreviation	term
EV	Electric Vehicle
ICE	Internal combustion engine
FY	Financial year
FAME	Faster Adaptation Manufacturing of Electric Vehicle
EMPS 2024	Electric Mobility Promotion Scheme-2024
AUTO PLI	AUTO Production Linked Incentive

With some exceptions, it was created on Feb 10, 2025.

EV Sales by Fiscal Year

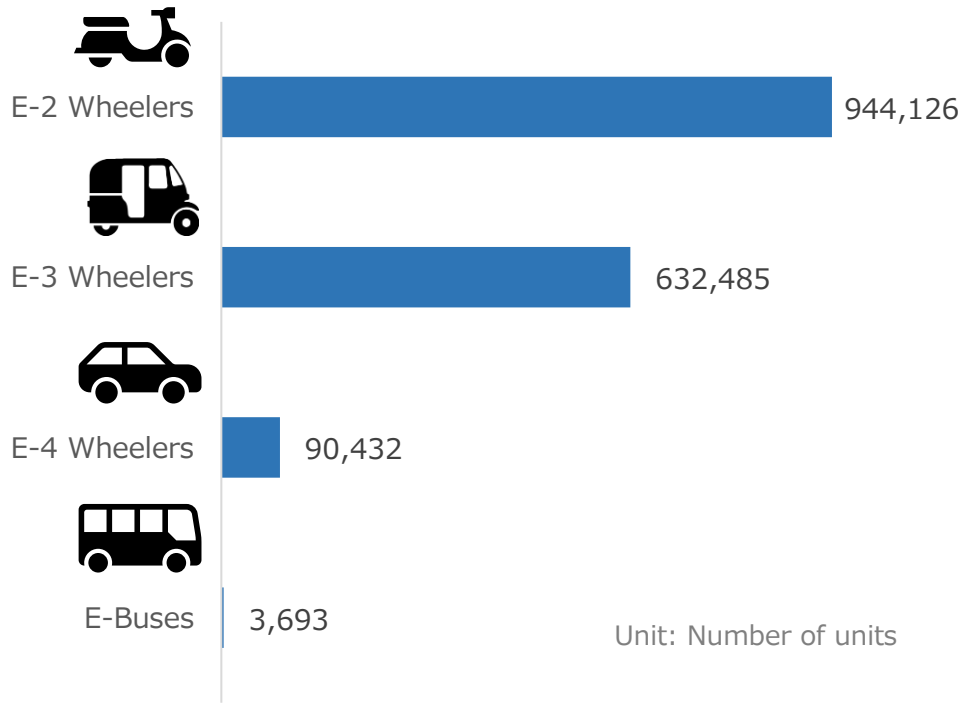
- Two-wheelers and three-wheelers account for the majority of sales in the Indian EV market. This is considered to be because, although the initial cost is a little higher than that of ICE vehicles, the difference in running costs enables the initial cost to be recovered.
- On the other hand, sales of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

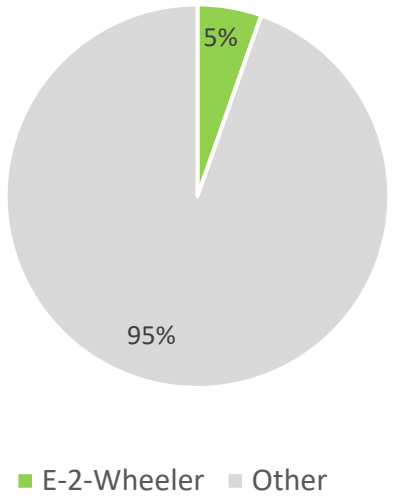


Source: SMEV. https://www.smev.in/statistics

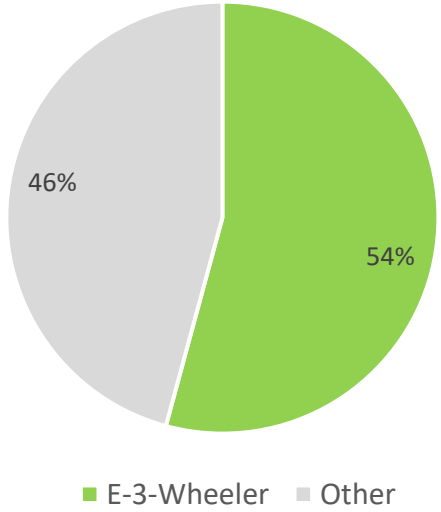
Percentage of EVs/hybrids in total FY24

- 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.

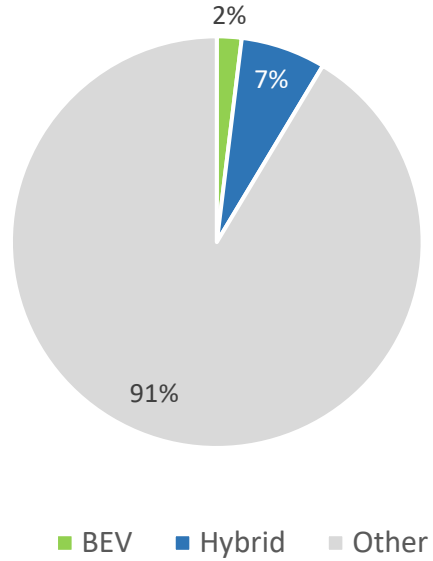
2-Wheeler



3-Wheeler



4-Wheeler

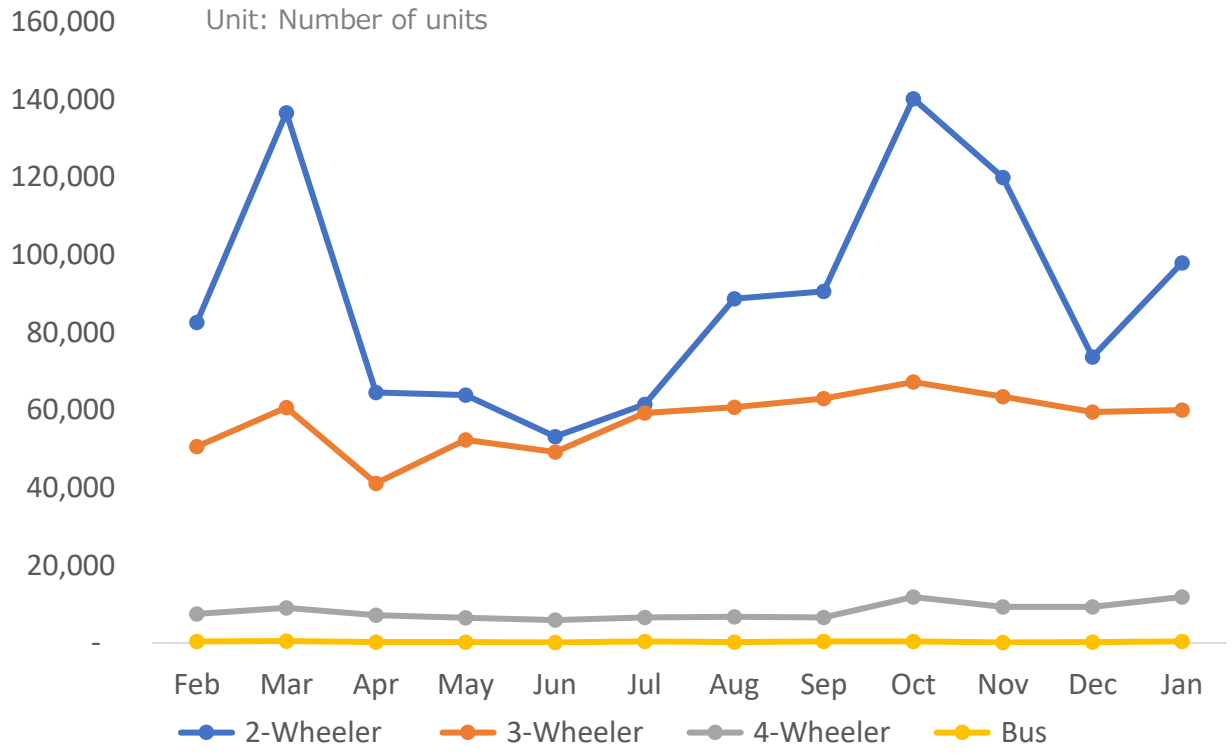


Source: VAHAN. (As of July 03, 2024). https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml

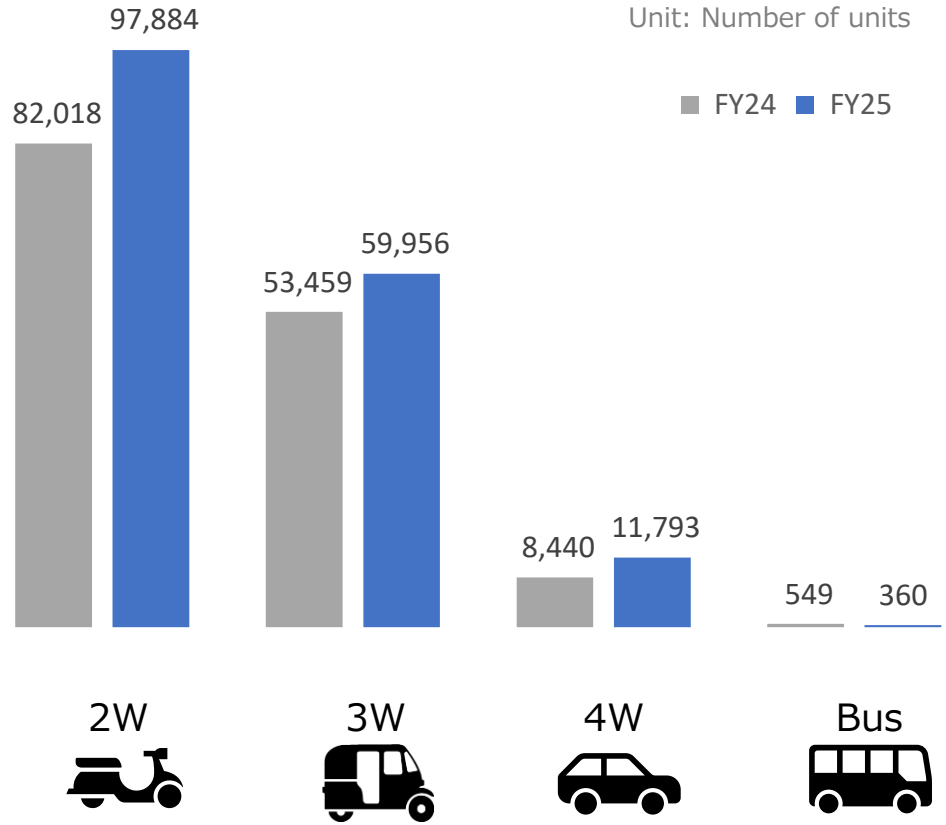
Comparison of unit sales by category

- Sales declined in December after the busy Diwali season, but overall, showing an upward trend in January.
- In January, the sales volume for FY25 exceeded last year's figures in all categories except buses, when compared to the same month

Sales volume by category over the past year



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

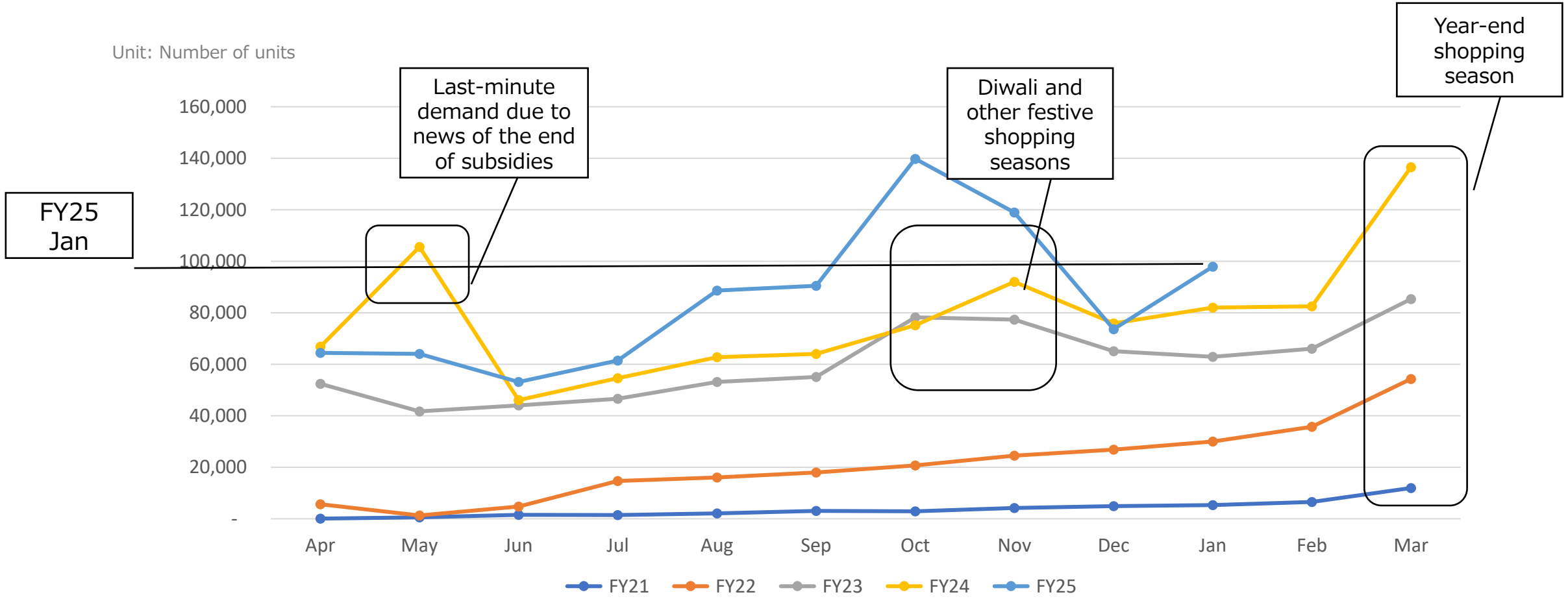


※3W includes e-rickshaw and e-auto

Source: SMEV. https://www.smev.in/statistics, VAHAN . https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml(as of Feb 10, 2025).

Electric two-wheeler sales by fiscal year

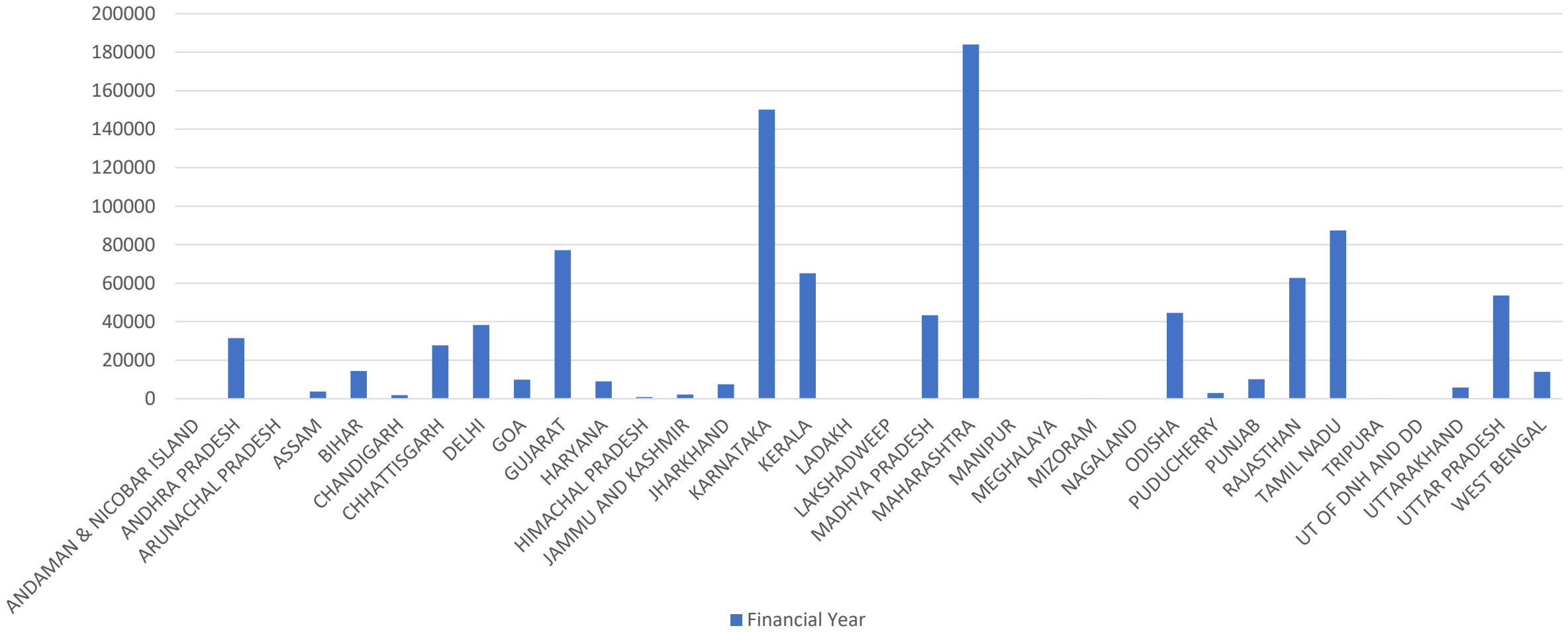
- The two-wheeler category has been increasing its sales every year, and FY24 has exceeded the previous year in almost every month of the year.
- The major shopping seasons in India are the festive season and the end of the year.



Source: SMEV. https://www.smev.in/statistics,
VAHAN . https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml(as of Sep 09, 2024, Updated Feb 10, 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.

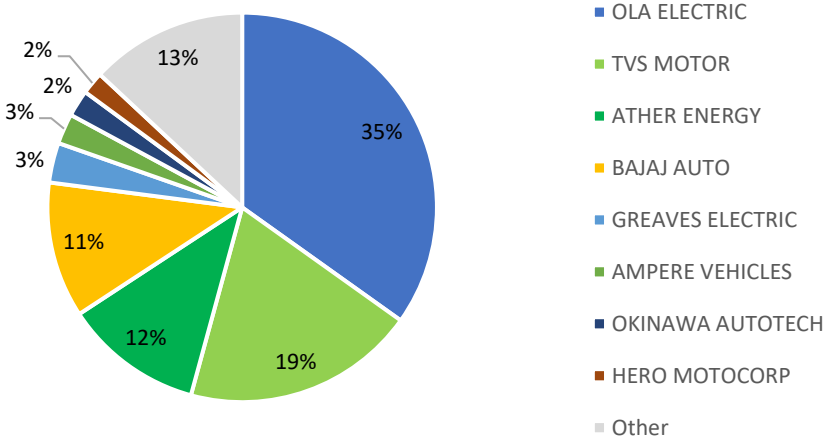


Source: VAHAN. https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml (accessed 02/12/2024)

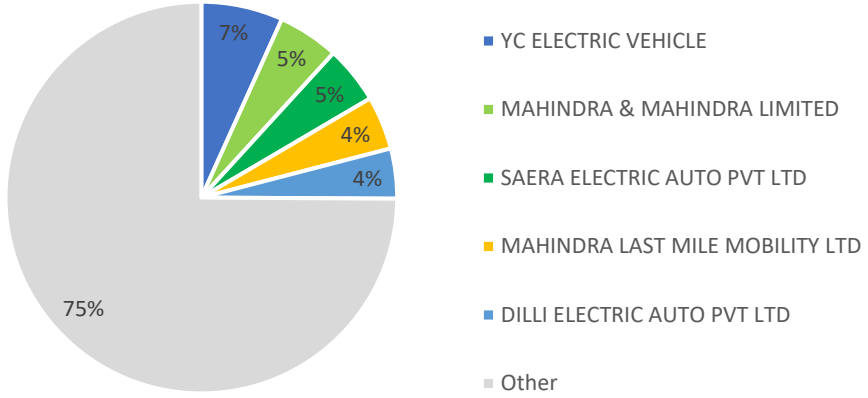
Share of sales by manufacturer: FY24

- 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.

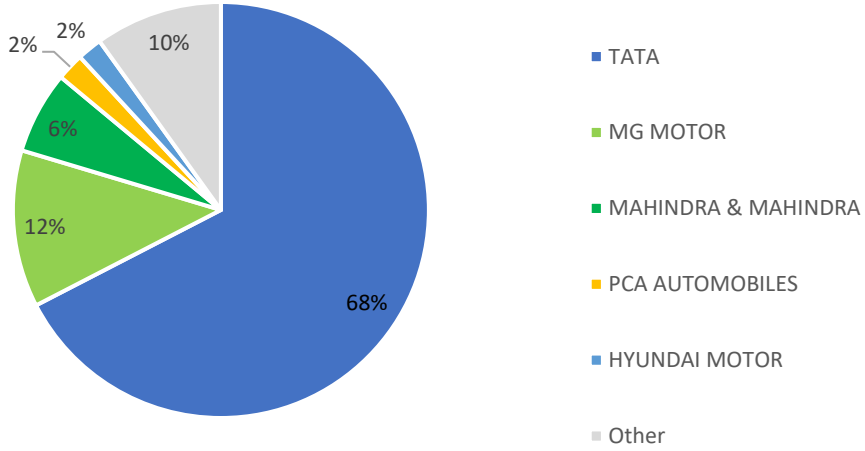
2-wheeler



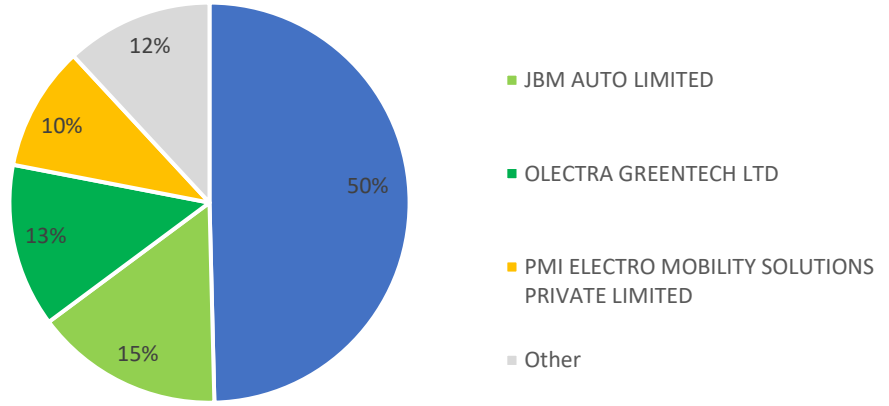
3-wheeler



4-wheeler



Bus

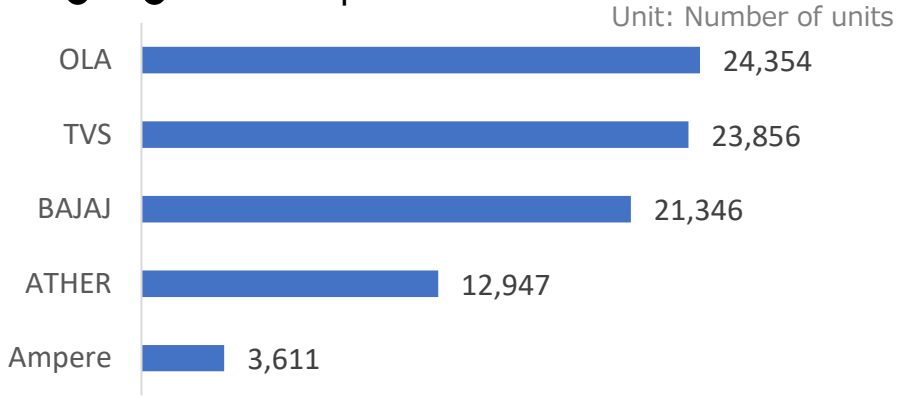


Source: VAHAN. https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml

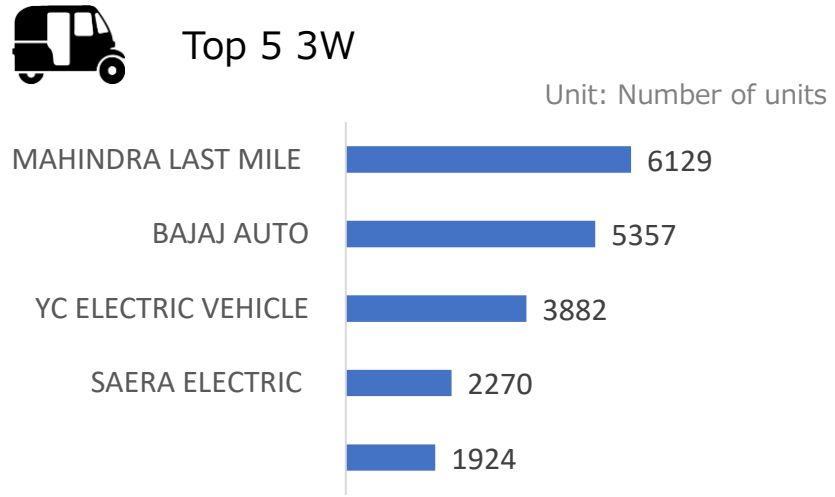
Top 5 Best-Selling EV Brands: Jan 2025

- In December, OLA relinquished its top position to TVS and Bajaj, but in January, OLA regained the top spot.

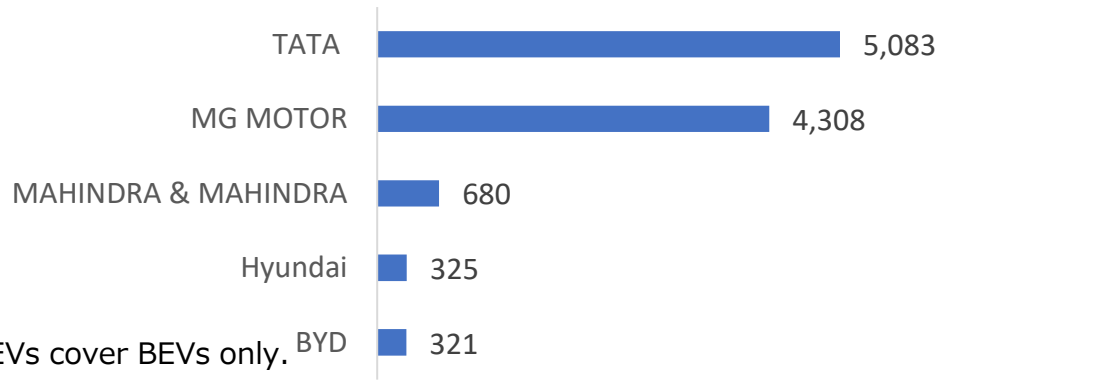
Top 5 2W



Top 5 3W

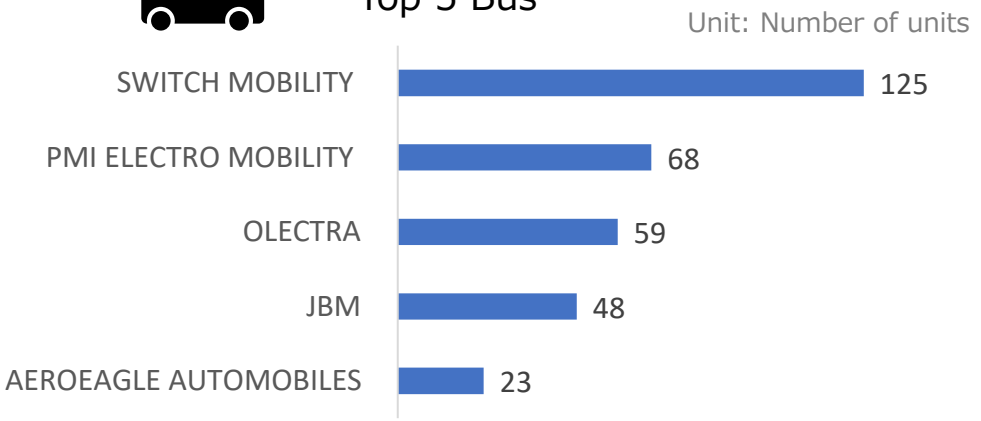


Top 5 4W



*EVs cover BEVs only.

Top 5 Bus



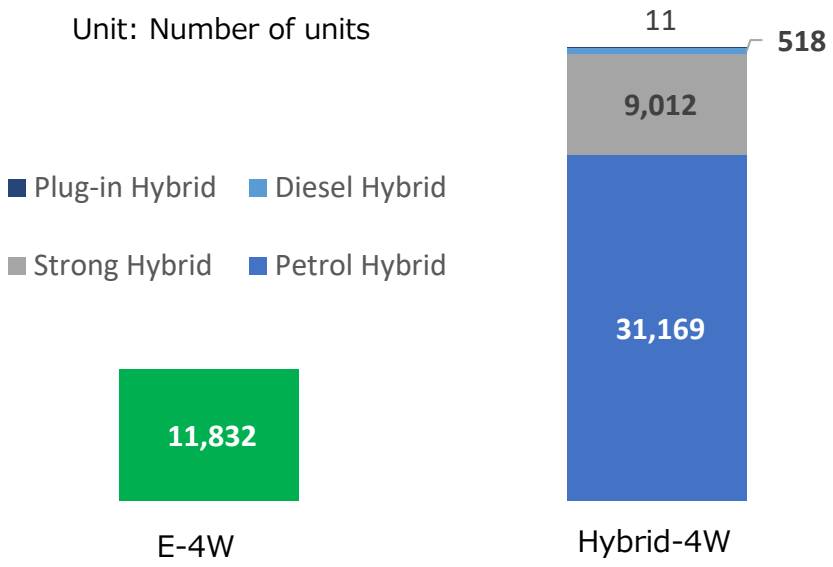
Source: VAHAN. (as of Feb 10, 2025). https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml

Comparison with hybrid vehicle sales volume and EVs in Jan

- 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

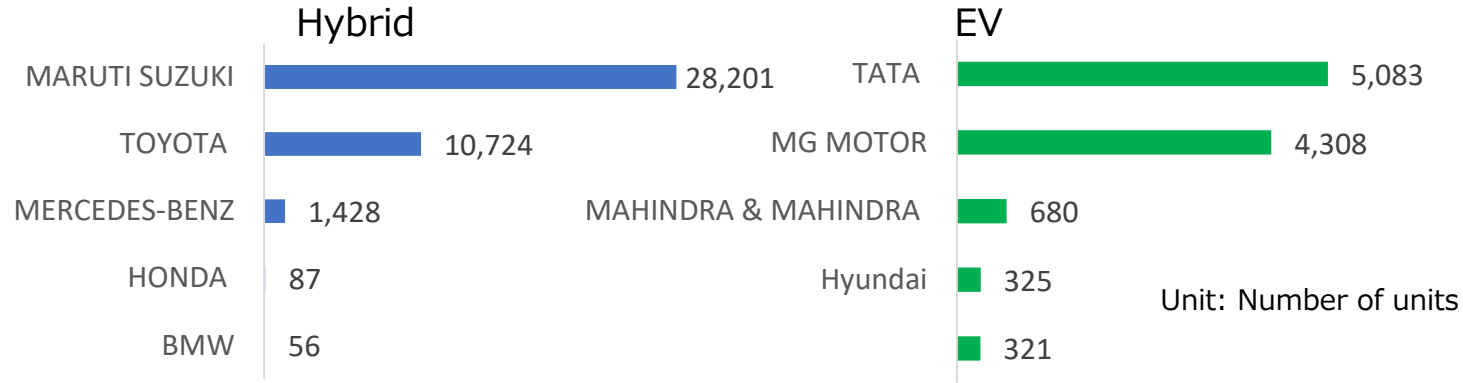
Total Sales: 52,542 units
（EV： 11,832 units、Hybrid : 40,710 units)



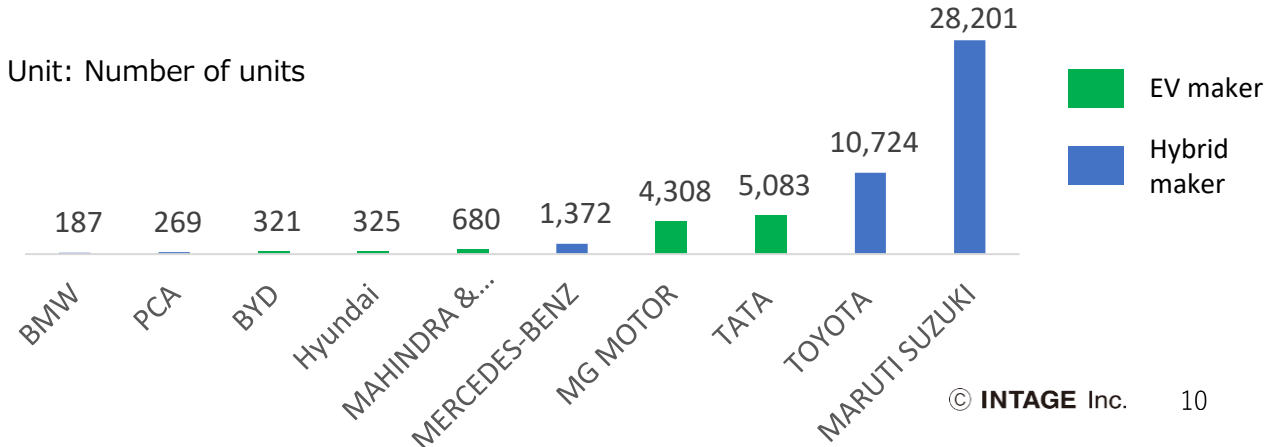
* Hybrids include diesel hybrids, petrol hybrids, plug-in hybrids, and strong hybrids.

Source: VAHAN (as of Feb 10, 2025).
https://vahan.parivahan.gov.in/vahan4dashboard/vahan/view/reportview.xhtml

Comparison of EV and hybrid sales by manufacturer



Comparison of total sales of EVs and hybrids by manufacturer



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: Jan 2025

- **Changes the Federal Budget for 2025-2026 Could Bring to India's Electric Vehicle Industry**

The federal government is currently preparing the federal budget for the 2025-2026 fiscal year. Stakeholders in the EV industry have requested reforms from the Finance Minister to strengthen the sector's pricing, infrastructure, and innovation, addressing both manufacturing and consumer-centric challenges. Industry representatives are seeking subsidies, tax breaks, and other incentives
https://economictimes.indiatimes.com/industry/renewables/how-the-union-budget-2025-26-could-change-the-electric-vehicle-landscape-in-india/articleshow/117597877.cms?from=mdr

- **Skoda is keen to invest in India's new EV policy**

Skoda is considering investing in India's new EV policy, but it is asking the government to include hybrid and plug-in hybrid vehicles as well, due to concerns about charging infrastructure and low acceptance of electric vehicles. India's new EV policy offers subsidies on import duties to manufacturers who invest more than $500 million. Skoda is evaluating this policy along with other policies expected in the first half of this year. In the future, the company has new models planned, which may include the Enyaq electric car, the Superb sedan and the Kodiaq SUV.
https://economictimes.indiatimes.com/industry/renewables/skoda-keen-to-invest-in-indias-new-ev-policy/articleshow/117685417.cms?from=mdr

- **BYD launchs SEALION**

BYD has launched the SEALION 7 in India. Two models were announced, with ranges of 542 km and 567 km, respectively. Deliveries of the SEALION are scheduled to begin in March.
https://economictimes.indiatimes.com/industry/renewables/byd-launches-sealion-7-ev-in-india-deliveries-to-begin-in-march/articleshow/117367112.cms?from=mdr

- **Battery swapping: Is it impractical at this time?**

Commerce Minister Piyush Goyal emphasized at a meeting with automakers that battery swapping, in coexistence with charging infrastructure, is necessary to accelerate the adoption of electric vehicles (EVs) in India. On the other hand, a leading Indian electric two-wheeler manufacturer stated that battery "swapping" is currently impractical and an unattractive proposition, as it would only increase the cost of driving for consumers. Swapping may not make sense for 2Ws, as the average daily driving distance for electric scooters is low, at an industry average of 28-30 km.
https://www.business-standard.com/industry/auto/battery-swapping-currently-unviable-e2w-firms-125010600885_1.html

- **Kia is developing a 3-row hybrid SUV**

Kia India, a leading four-wheeler manufacturer, seems to have started developing a 3-row SUV to be positioned above the Seltos in its lineup. It is thought to be a rival to the Mahindra XUV700 and TATA Safari, and is believed to be based on the Sorento, which is sold in international markets. It is also highly likely to be the brand's first strong hybrid.In addition, its sister brand, Hyundai, is also preparing a 3-row SUV, which is expected to be a Petrol hybrid.
https://www.autocarindia.com/car-news/kia-three-row-hybrid-suv-under-development-to-rival-xuv700-safari-434178

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