

Ola, TVS, Ather account for 60% 2-wheeler EV registrations in '23

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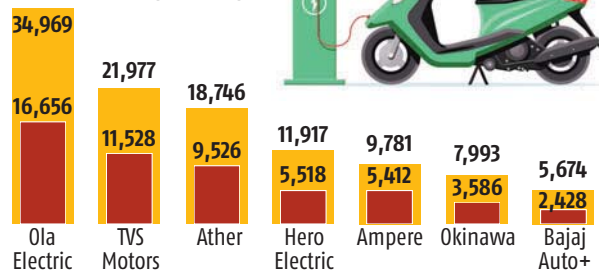
Ola Electric, TVS Motor, and Ather Energy accounted for nearly 60 per cent of the 126,349 units registered in the first two months of calendar year 2023 (CY23), according to the VAHAN portal. In February, their collective share was 61 per cent. In comparison, the firms collectively had 34 per cent share of total registrations in CY22.

This increase, other players say, is a consequence of the government suspending subsidies under the Faster Adoption and Manufacturing of (Hybrid &) Electric Vehicles (FAME) scheme to some leading players pending an audit over allegations that they violated some conditions.

In CY22, Okinawa and Hero Electric, which are under scrutiny over the subsidy issue, commanded 32 per cent share of the total 600,000 electric two-wheelers registered. However, they are now down to half that share in the first two

MARKET SHARE

No. of registrations ■ Feb '23
■ Total for 2023 (Jan-Feb)



+includes Chetak Technology, a subsidiary of Bajaj Auto
Source: VAHAN till February end



months of 2023 at 16 per cent.

Registrations in February slowed compared to the previous months, partly because of the FAME-II subsidy issue and also because there were fewer days in the month. It dropped by over 4 per cent to 61,765 registrations.

Executives at the Society of Manufacturers of Electric Vehicles (SMEV) say that FAME-II subsidy of ₹1,200 crore has been pending since August, and that has impacted

the working capital of many players. This has led to the stalling of the electric two-wheeler makers' growth trajectory from 88 per cent between May and October 2022 to a contraction of 17 per cent between October 2022 and January 2023 and even further now.

"In January, we should have crossed 100,000 units, but it was around 65,000. The annual volume in FY23 was expected to be 1 million, now it won't be more than 750,000," said

PV sales to grow 9-10% in FY24: CRISIL

India's passenger vehicle sales are expected grow 9-10 per cent in the 2023-24 fiscal year, about 20 per cent above pre-pandemic peak levels, as strong demand and easing chip shortages prop-up the car market, ratings agency CRISIL said on Tuesday. Higher incomes and a strong order book driven by pent-up demand, especially for sport utility vehicles, will support domestic growth even as exports remain sluggish, helping vehicle sales touch a record of 5 million units in the next fiscal year, CRISIL Ratings said.

REUTERS

Sohinder Gill, director general of SMEV and CEO of Hero Electric. Interestingly, incumbent two-wheeler companies, led clearly by TVS, collectively accounted for over 22 per cent share of registrations in January and February.