

Pre-buying spurs record electric 2-W registrations in May

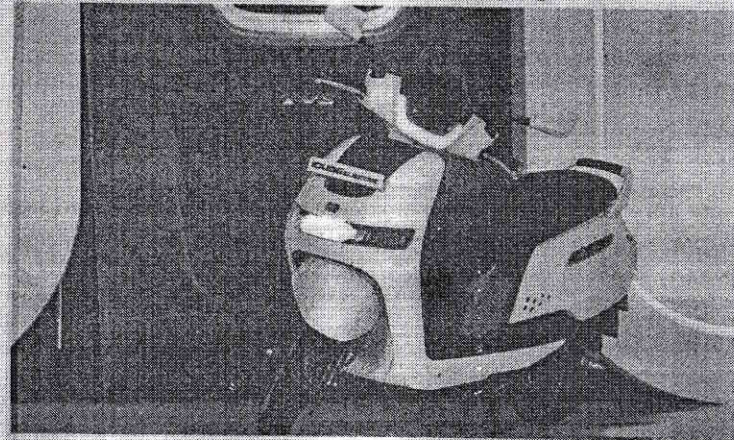
G Balachandar
Chennai

Pre-buying, ahead of possible price increase, led to record sales of electric two-wheelers, which drove monthly total EV registrations to more than 1.5 lakh units in May.

Total monthly electric two-wheeler sales crossed one lakh units for the first time and stood at about 1.05 lakh units in May. Consequently, total sales of battery-powered vehicles (all segments put together) stood at 157,217 units, which is the highest-ever monthly number.

FAME II SUBSIDY

The e2-W industry retail volume increase in May was aided by pre-buying ahead of price rises on account of the amendment announced for the FAME II subsidy scheme, said Rohan Kanwar Gupta,



COSTLY RIDE. While TVS Motor Company, Ola Electric and Greaves Electric Mobility announced price hikes for their e2-W models, Hero Electric had earlier said it would not be doing so

Vice-President & Sector Head
- Corporate Ratings, ICRA.

PLAYERS' RESPONSES

The industry retails had declined to about 67,000 units in April, with sales impacted to an extent by issues related to delay in subsidy disbursement and supply shortage. Given

the material price rise, retails are expected to slow down over the near term, added Gupta.

TVS Motor Company announced a price revision for its electric scooter iQube effective June 1. After the FAME II revision, iQube's price increase will be in the range of

₹17,000-22,000, depending on the variant," said Manu Saxena, Senior VP-Electric Vehicles, TVS Motor Company.

Greaves Electric Mobility (Ampere) has also announced a price hike in the range of ₹21,000-39,100 for its Magnux EX, Zeal Ex and Primus. Ola Electric has also announced prices hikes for its e-scooters. With the revised subsidies coming into effect from this month, the Ola S1 Pro is now priced at ₹1,39,999; S1 (3KWh) at ₹1,29,999; and the S1 Air (3KWh) at ₹1,09,999. The company said its focus on engineering and innovation has enabled the brand to minimise the price impact.

However, Hero Electric has already said it would not increase the prices.

While pre-buying has helped some players achieve record sales, some others reported a huge decline in

volumes due to delays in subsidy disbursements and uncertainty looming over FAME II violations.

Ola Electric's e2-W registrations stood at 28,438 units during May, up from 21,991 units in April, while TVS Motor's volumes stood at 20,254 units, up from 8,753 units. Ather Energy's registrations grew to 15,526 units (7,786), according to Vahan data. "Our sales have experienced exponential growth and Ola has consistently led the EV revolution in the country," said Bhavish Aggarwal, Founder and CEO, Ola Electric.

Electric three-wheelers' volumes stood at 44,610 units in May compared with about 38,000 units in April. Electric PV sales, too, grew to about 7,400 units in May this year, up from 5,980 in April and down from 8,804 units in March.

With inputs from Bengaluru Bureau