

# Despite subsidy cuts, EV sales zoom 41% in FY24

Penetration at 6.8%

**NITIN KUMAR**

New Delhi, 2 April

Electric vehicle (EV) sales this financial year (FY24) witnessed a robust increase of over 41 per cent, notwithstanding the subsidy cuts and regulatory shifts.

Total EV registrations in FY24 surpassed 1.6 million, which is significantly higher than last year's 1.1 million.

All this has pushed the overall EV penetration in the country in FY24 to 6.8 per cent against 5.3 per cent in FY23.

The uptick was despite the government's decision in June to reduce subsidies under the Faster Adoption and Manufacturing Electric Vehicles (FAME) to a third of the maximum ₹66,000 subsidy it was offering on electric two-wheelers (e2Ws).

Following the government's decision to cap the maximum subsidy for e2Ws at ₹22,500 apiece, sales saw a sharp decline. This fall was over 35 per cent in June, dropping from an all-time high of 158,000 seen in May.

Moreover, the Centre also replaced the FAME Phase-II scheme with a new one — the Electric Mobility Promotion Scheme (EMPS), 2024. This is to promote the sale of e2Ws and e3Ws in the country with effect from April 1, 2024

In FY24, the e3W category demonstrated significant market penetration, achieving a 48.9 per cent share.

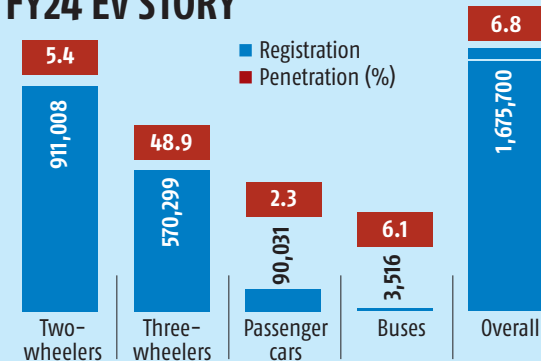
However, despite having the highest EV penetration within this category, it fell short of the FY23 figure of 51.6 per cent. This was primarily due to the increased overall sales of three-wheelers. Industry executives said the shift towards more electric vehicles is mainly driven by growth of charging infrastructure and focus on electrifying public transport.

This change has also been influenced by a flurry of product launches by startups in the electric two and three-wheeler spaces. It is also because of an increased availability of vehicles in the four-wheeler category. e2Ws contributed around 60 per cent in the overall EV sales.

Despite passenger cars demonstrating the lowest penetration across all categories, their penetration doubled in FY24, rising to 2.3 per cent from 1.3 per cent in FY23.



## FY24 EV STORY



Note: Numbers don't include data from Telangana and Lakshadweep  
Source: VAHAN

## Bajaj Auto leads in FY24 domestic sales growth

**DEEPAK PATEL**

New Delhi, 2 April

Bajaj Auto's domestic sales surged 24.63 per cent year-on-year (Y-o-Y) in 2023-24 (FY24), highest among the four major two-wheeler manufacturers in the country, touching 2.25 million units, according to data released on Tuesday.

"Improvement in sentiment, absorption of price hikes, new model launches and slow and steady revival of rural markets have led to robust growth in 2Ws (two-wheelers). The 2W segment has been the outperformer in the industry for a while now," LKP Securities stated in its report on Tuesday.

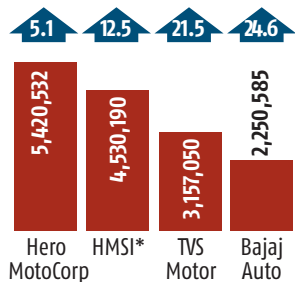
TVS Motor's domestic sales jumped by 21.52 per cent Y-o-Y to 3.15 million units in FY24.

Hero MotoCorp, India's largest two-wheeler maker, saw domestic sales rise by 5.13

## RACING AHEAD

Domestic two-wheeler sales

■ FY24 ▲ % change Y-o-Y



\*Honda Motorcycle and Scooter India  
Source: Companies

per cent to 5.42 million units in FY24. In 2024-25 (FY25), LKP Securities sees launches, particularly in the premium motorcycle segment (especially by Bajaj, KTM, and Triumph), contributing to strong domestic sales.