

# Three-wheeler sales thriving on EV interest

SHINE JACOB

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In the late 1950s, a three-wheeler design captured the attention of then Prime Minister Jawaharlal Nehru and Home Minister Morarji Desai. Soon enough, the government gave a clearance for its production by home-grown Bajaj Auto and the Italian Piaggio.

After nearly 64 years, three-wheelers not only populate Indian roads but are seeing renewed interest, with sales exceeding the 100,000 mark for the first time in September and repeating the milestone in October.

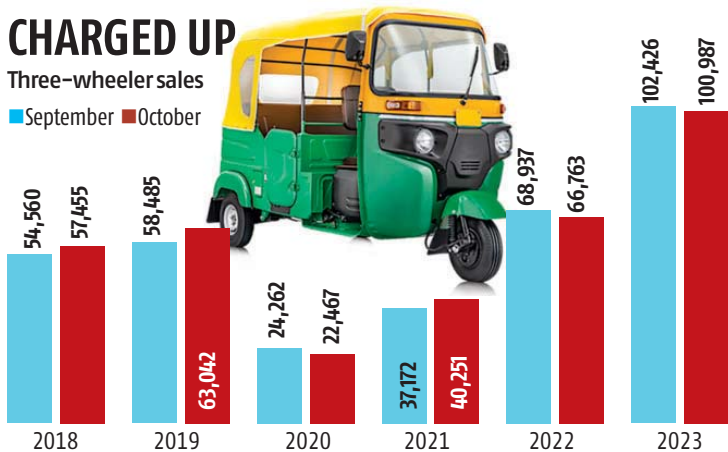
This is a far cry from the pre-Covid numbers of 58,485 units in September and 63,042 units in October 2019. The primary reason for the surge is the growing interest in electric vehicles (EVs) in the three-wheeler segment, accounting for roughly 56 per cent of overall sales in September, according to data from the Federation of Automobile Dealers' Associations (Fada).

While October's retail numbers are yet to be released, data from the

## CHARGED UP

Three-wheeler sales

■ September ■ October



Source: Fada & VAHAN portal

VAHAN portal suggests that after registering 102,426 units in September, three-wheeler sales in the subsequent month reached 100,987 units, a 51 per cent increase year-on-year.

"The three-wheeler market has been thriving. Unlike diesel or petrol vehicles, electric three-wheelers do

not require permits to operate in city areas, which were previously distributed under a quota system. This shift has benefitted the market significantly. For urban and semi-urban youth, it has become a substantial source of employment," said Manish Raj Singhanian, president of Fada. "In places

like Raipur, EV penetration is 80-90 per cent. Three-wheeler consumers have come to realise that the operating cost of EVs is lower," he added.

Bajaj Auto leads with 35 per cent market share, followed by Piaggio Vehicles (7.4 per cent), Mahindra and Mahindra (6 per cent), Y C Electric (4 per cent), Saera Electric Auto (3 per cent), Dilli Electric Auto (2.3 per cent), Atul Auto (2 per cent), and TVS Motor (1.4 per cent). Nearly all of them are investing heavily in EVs seeing to the growing interest.

"As pioneers in the 3W EV sector, we continue to innovate and lead the industry. Our fixed and swappable battery solutions have revolutionised the sector. This year has allowed the industry to move beyond the shadow of the pandemic, with economic activity gaining momentum. We have also seen deeper penetration of compressed natural gas and diesel vehicles with the transition to BS-VI (emission norms)," said Diego Graffi, chairman and managing director, Piaggio Vehicles.

He added, "We remain committed

to investing in advanced battery technology and driving greater adoption."

Industry experts suggest that while Bajaj dominates the petrol segment, its market share may increase further with aggressive EV initiatives. On the other hand, the likes of TVS Motor are also focusing on EV three-wheelers.

"We are highly confident that we will perform well in the three-wheeler EV market. Our focus is on three-wheelers, and this is an area where we aim to excel. We are already achieving significant success with three-wheelers in international markets, and we plan to introduce electric three-wheelers there as well," said KN Radhakrishnan, director and chief executive officer, TVS Motor.

"The shift of people from rural to urban areas has also triggered this growth. For young individuals, this provides an opportunity to earn an income ranging from ₹15,000 to ₹40,000 per month, which exceeds that of many graduates. Wherever three-wheeler sales have increased, crime rates have decreased," said Singhanian.