

# Festival season sparks rebound in EV sales

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The festival season has provided a much-needed boost to India's electric vehicle (EV) market in October, reversing a decline that persisted for the previous two months.

Registrations reached 217,716, representing a 35 per cent recovery from the 160,237 units sold in September. This also marks the highest monthly sales figure recorded to date.

This new high even outpaced March's 213,063 units — a number bolstered by the final days of the second phase of the Faster Adoption and Manufacturing of Electric Vehicles (FAME-II) scheme, showing just how much demand has been turbocharged this year.

The latest tally marks the second time in 2024 that monthly EV sales surpassed the 200,000 mark, pushing the total EV registrations past the 1.6 million milestone, according to Vahan data from the Ministry of Road Transport and Highways.

The electric two-wheelers remained the largest segment, posting sales of 954,241, or 59 per cent of the total EV pie.

Hot on its heels were electric three-wheelers, which accounted for 568,419 units or 35 per cent.

Electric cars followed far behind with 83,802 units, while buses, trucks, and construction vehicles made up the final 1 per cent.

This year has seen the EV sector on a roll, as it took only 10 months to hit the 1.5 million mark — a feat that took a full 12 months last year.

## Festival deals fuel October's sales frenzy

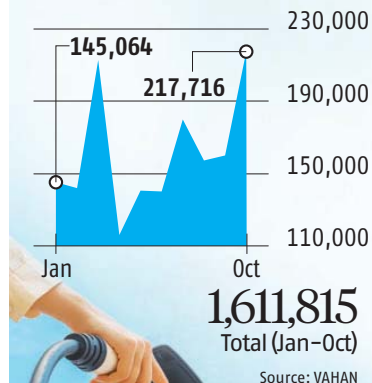
October proved to be the perfect storm for EV sales as customers raced to snap up new vehicles during the festival season.

Not only did original equipment manufacturers (OEMs) sweeten the deal with deep discounts, but they also received a leg-up from the central government's PM Electric Drive Revolution in Innovative Vehicle Enhancement (PME-DRIVE) scheme.

Launched on October 1, the ₹10,900 crore scheme over two years has further fuelled growth by targeting subsidies across electric vehicle categories.

"The combination of incentives, festive spirit, and auspicious timing acted

## REVERSING A DECLINE EV sales in 2024 (units)



as the spark plug the EV market needed," said Preetesh Singh, Specialist in CASE and Alternative Powertrains at NRI Consulting & Solutions.

## Making up for the lost year

Electric two-wheelers, in particular, shifted to top gear, with sales surging by over 50 per cent to 1,39,097 units from September's 90,372 units.

Meanwhile, electric three-wheeler sales rolled up 7 per cent, clocking 67,170 units in October compared to 62,901 in September. Sector experts are optimistic about the year ahead, attributing their confidence to the government's continued support through incentives.

However, they express concerns about the industry's need to step up with enhanced products and services to sustain this growing demand.

In September, the electric two-wheeler market leader faced a setback as thousands of customers raised concerns about service quality issues.

The Central Consumer Protection Authority also issued a notice following over 10,000 complaints from customers. Such quality concerns could impact not just the company in question but also undermine the position of the entire segment, say market observers.

"A few more companies facing issues like Ola could put a dent in the entire industry," a sector expert added.