

Murugappa Group sticks to \$1 b EV revenue target by 2029

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Murugappa Group's engineering arm, Tube Investments of India Ltd (TII), reaffirmed its commitment in achieving \$1 billion in revenue from its electric vehicle (EV) business by 2029, despite ongoing market evolution.

Its electric vehicle arm TI Clean Mobility's primary focus in the short term will be on growing market share and increasing volume. The company aims to achieve operational break-even for its two existing EV products in the next financial year as it scales up operations.

TII has proposed ₹300 crore capex across all EV business categories for the financial year FY26. "When we first set out, our goal was to reach a billion dollars in



Vellayan Subbiah, Executive Vice-Chairman of Tube Investments of India

revenue and profitability by 2029, and I still feel confident in that target," said Vellayan Subbiah, Executive Vice-Chairman of TII, during the company's Q3 earnings call. "I strongly believe that this vision remains intact, and I am confident we will be able to deliver that."

Subbiah stated that the EV market is still in the early stages, and TI Clean Mobility is strategically positioned to capitalise on the evolving op-

portunities. In the electric heavy truck segment, the company is currently the only player in the market and expects to maintain this exclusive position for at least another year, allowing it to establish a strong market foothold.

3-WHEELER MARKET

In the three-wheeler market, he noted that, the shift towards electric vehicles is encouraging. The transition typically gains momentum when two or three key players enter the segment. "While established players have the advantage in dealership presence and distribution, we believe we can overcome that and achieve our target market share. We aim to meet part of that target in the next financial year, with the rest to follow in the subsequent year," Subbiah added.

In terms of sales performance for the electric three-wheeler business, TI Clean Mobility recorded the same volumes in Q3 as in Q2, while the total industry volume (TIV) grew by over 19 per cent. This growth was largely driven by the festive season in North and West India, where demand surged. However, the company's market presence is stronger in the South, which led to a mismatch in growth compared to the broader market.

The company's new electric small commercial vehicle and electric cargo three-wheeler will be available in the market from this quarter, with full-fledged commercial sales starting in April 2025. "From April to December, 25 per cent of the total three-wheeler passenger market was electric, and we expect significant growth in this area," he said.