

Full charge ahead: Kerala becomes new e2W hub

Reasons include customer awareness and government incentives

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If statistics are any indication, around 80 per cent of the electric two-wheeler market (e2W) is ruled by Ola Electric, TVS Motor Company, Ather Energy, and Bajaj Auto. What's surprising is how Kerala is fast becoming the e2W hub, charging ahead of Karnataka, Maharashtra, Gujarat, and Tamil Nadu.

According to a report by JM Financial citing the January-September e2W sales, Kerala is in fifth spot in terms of the total number of e2W sales at around 46,336 units with a penetration of 12.2 per cent (e2Ws as a percentage of total two-wheelers, including internal combustion engine), which is the highest in India.

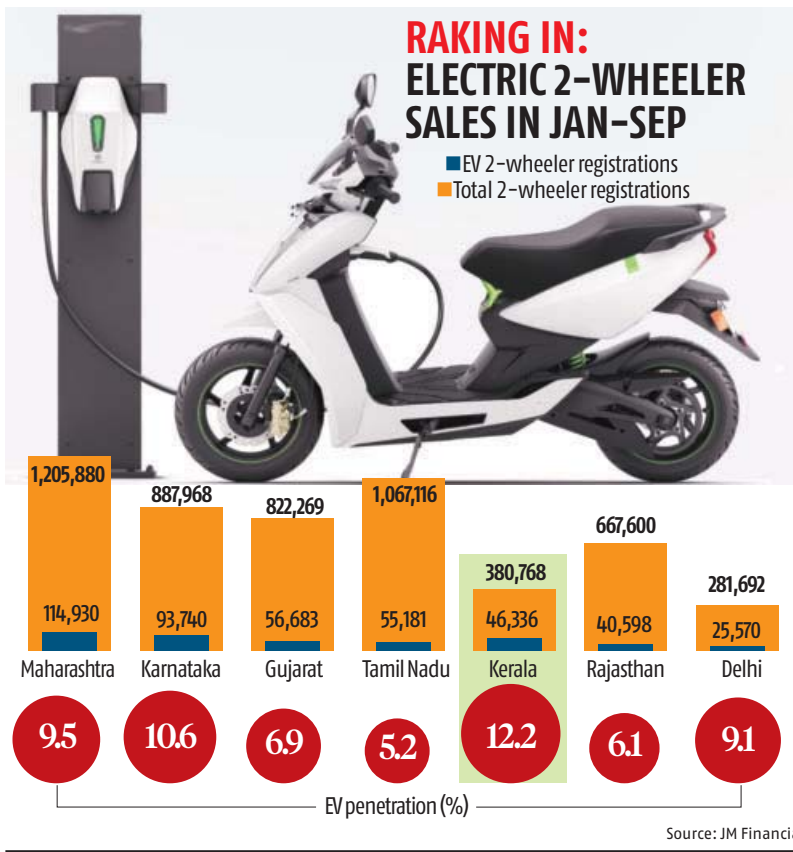
This is comparable to a penetration of 10.6 per cent in Karnataka, 9.5 per cent in Maharashtra, 6.9 per cent in Gujarat, and 5.2 per cent in Tamil Nadu. This is also comparable to the electric vehicle (EV) sales of 25,570 and a penetration of 9.1 per cent in Delhi.

What is even more surprising is that the state has only 192 public charging stations, compared to 1,845 in Delhi, 704 in Karnataka, and 660 in Maharashtra, according to data shared by the Centre.

But what's driving the sales of e2Ws in Kerala? Reasons include customer awareness, higher non-resident Indian (NRI) population, government incentives, and adaptability to new brands, among others.

"The state has embraced EVs for their environmental benefits, which align with its dedication to sustainability. Additionally, government incentives and policies promoting clean mobility and rising fuel costs have fuelled widespread EV acceptance," says Sanjay Behl, chief executive officer and executive director, Greaves Electric Mobility, which sells the popular brand Ampere EV by Greaves. Behl's firm has also introduced a custom-built EV financing platform, evfin, in the Kerala market.

Interestingly, Kerala is the only state close to the NITI Aayog's 2025-26 target of 13-15 per cent e2W penetration. This is



compared to a penetration of only 5 per cent in 2023-24 to date, up marginally from 4.4 per cent in 2022-23.

"Whenever there is a new product in the market, Kerala is quick to embrace it, because of awareness and education. The strong NRI population is aware of changes," says Sabu Johny, managing director, EVM Motors, which runs a dealership network. "Road tax is as low as 5 per cent for EVs in the state. Moreover, fuel prices here are higher compared to other states," Johny adds.

According to industry experts, the fact that the Kerala State Electricity Board has around 1,169 charging points along roads

and on electric poles too is helping sales.

"Our company has around 60 charging stations in Kerala. The rising alternating current/direct current charging infrastructure is the major reason. The transition is happening at a faster pace compared to other cities," says Pranith Kumar of GO EC. Consumers, too, are upbeat about the changing scenario.

"I bought my vehicle from Ather a few months ago. They have already approached me to set up their charging points in my apartment. Moreover, recharge from their units is free," says Shone Nelson, an information technology industry employee.