

## AMID OVERALL EV BOOM

# E-bus mkt share falls to under 3%

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The electric vehicle (EV) industry is experiencing a boom in sales this year, crossing the one-million mark in just the first nine months of 2023.

But larger e-mobility penetration, which is public transport, has lagged behind for EVs. The share of e-buses within the overall bus market segment decreased to 2.8 per cent in 2023, as of December 10, from 4.1 per cent in 2022, according to the Ministry of Road Transport and Highways' Vahan Dashboard data.

Industry experts attribute the decline to delays in bus supply by original equipment manufacturers (OEMs) and the lack of state government efforts in enforcing timely procurement.

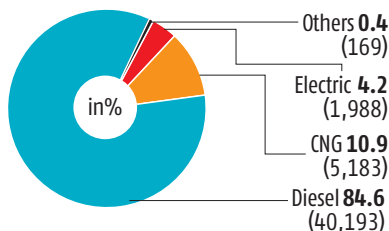
"The primary cause of the low penetration is delayed delivery of buses by OEMs. This stems from their constrained production capacity and frequent supply chain bottlenecks," said Preetesh Singh, specialist CASE and alternate powertrains, NRI Consulting & Solutions.

Government data indicates that despite the Centre's approval for over 5,000 electric buses, the procurement process has been lacklustre.

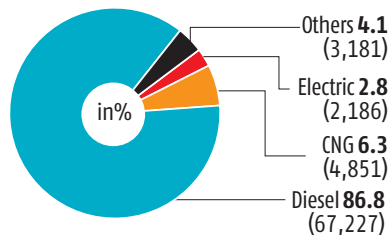
The ministry of heavy industries has sanctioned 7,210 e-buses as part of its ambitious Faster Adoption and

## MISSING THE BUS

2022 Figures in bracket represent sales tally



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Source: VAHAN Portal

Manufacturing of Electric Vehicles in India (FAME-II) initiative.

However, according to ministry data, only 2,435 e-buses have been deployed so far. Additionally, the tender issued by CESL for 4,675 e-buses on a dry-lease basis was also cancelled due to a lukewarm response from OEMs. Despite a decrease in the proportion of e-buses within the

## TaMo first to get nod for H2 FCEV buses

Tata Motors became the country's first bus manufacturer to receive the Central Motor Vehicles Rules type approval certificate for its hydrogen fuel cell electric (FCEV) buses. The largest commercial vehicle manufacturer in India obtained the approval for its Tata Starbus 4/12 FCEV model along with its variations. FCEV is a type of electric vehicle that uses hydrogen fuel cells to generate electricity instead of relying solely on batteries.

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overall bus market segment from the previous year, the total number of e-buses sold this year was higher.

In 2023, e-bus sales saw an approximately 10 per cent increase, rising to 2,186 units from 1,988 units in the preceding calendar year.

The decline in e-bus penetration could also be attributed to the overall surge in bus sales. It soared 62 per cent, reaching 77,445 units this year compared to 47,533 units in 2022.

Out of the total of 288,046 buses sold in the country since 2019, only 5,944, or 2 per cent, were electric. The majority, approximately 88 per cent, were diesel-powered.