

W. Asia crisis boosts EV enquiries in India, but analysts see only gradual adoption

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The West Asia crisis, which hit gas supplies and created anxiety among owners of petrol/CNG/LPG vehicles, may have helped increase footfalls in electric vehicle showrooms over the past few days, but analysts do not see this bringing about a sea change in EV adoption.

Auto industry sources added that the footfalls had not yet translated into increased bookings, but they were seeing broader customer interest. According to Poonam Upadhyay, Director at Crisil Ratings, the auto sector is unlikely to see a sharp shift in fuel mix, and any change will likely remain gradual.

"EV share in two-wheeler registrations has edged up to 6.6 per cent year-to-date

from about 5.5 per cent in FY25, indicating steady but measured adoption. The passenger vehicle (PV) segment shows a similar trend, with EV share rising from 2.9 per cent in FY25 to around 3.5 per cent year-to-date, reflecting modest gains from a small base as buyers weigh running costs against higher upfront prices and charging constraints," she told *businessline*.

CNG remains a strong choice in the PV segment and is already the second-largest fuel type, with year-to-date penetration at 18 per cent, up from 16.5 per cent in FY25, supported by lower operating costs.

"With gas availability facing some pressure in the current environment and possible changes in price dynamics, incremental demand could moderate. Over-



all, with the broader focus on sustainable mobility, the sector is expected to continue transitioning towards cleaner fuels, albeit at a measured pace," Upadhyay added.

ENERGY SECURITY

According to Gajav Vangaal, Associate Director for LVP Forecasting at S&P Global Mobility, India remains highly dependent on global stability to secure its energy needs, and a prolonged conflict could reshape consumption trends.

Nevertheless, EV adoption is expected to continue its upward trajectory, he added.

A spokesperson for Tata Motors, a leader in the passenger vehicle segment, said the company is seeing a broader increase in consumer interest in EVs nationwide. The rise is driven by factors such as total cost of ownership, ease of home charging and growing awareness of energy security and sustainability.

"Several of our dealer partners have also anecdotally reported higher enquiry volumes for EVs over the past week or so. EV adoption in India has been on a steady upward trajectory, and our focus remains on supporting customers through a compelling product portfolio and a continuously strengthening charging ecosystem," the spokesperson said.