

# TVS Motor readies launch of premium bikes, e-scooters

**HEADWIND.** Sees drop in electric two-wheeler sales in near term due to FAME sop cut

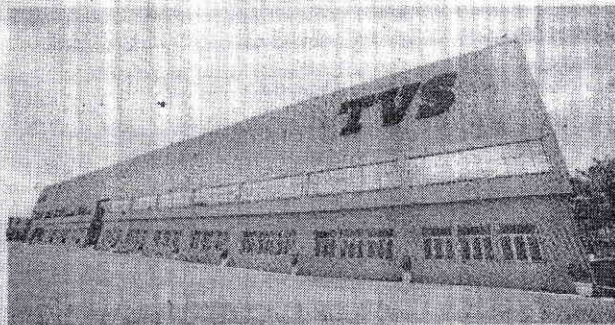
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TVS Motor Company Ltd plans to launch a couple of premium bikes and electric scooters this fiscal, while also chalking out a strategy to widen its export base.

In the motorcycle segment, the company targets to upgrade customers by offering premium products. The recently launched 225cc Ronin is sold only through select dealerships and the company is looking for a gradual expansion. In the above 200cc motorcycles, TVS Motor will be launching a couple of products in FY24, according to a report by Motilal Financial Services, which had a discussion with KN Radhakrishnan, Director & CEO of TVS Motor, recently.

## SEGMENT LEADER

The Apache series bikes are doing well in the '150cc plus to 200cc' segment, which is the third largest after the 75cc-110cc and 110cc plus to 125cc segments. With the Apache series, the company is the leader in the segment,



**MARKING PRESENCE.** KN Radhakrishnan (right), Director & CEO; The proposed bikes will help strengthen the company's premium play in the 200-250 cc segment, where Bajaj is the major player

which sold 1.72 lakh units during the first two months of this fiscal. It has a market share of about 47 per cent in this category.

The proposed new bikes will help strengthen its presence and premium play in the 200-250 cc segment, where Bajaj is the major player.

## DEMAND PICTURE

For the overall two-wheeler market, urban markets continue to provide good growth visibility, while rural markets are lagging behind. Good monsoon may drive up the demand in rural centres. Entry-level segment continues to pose concerns, while

other categories are recording growth. The domestic market is expected to grow 8-10 per cent, while TVS hopes to record higher than the industry growth.

Meanwhile, TVS Motor expects some impact on electric two-wheeler sales in the near term due to a reduction in FAME-II incentives. According to the Vahan dashboard, electric two-wheeler registrations stood at about 21,500 for the current month (as on June 20). Total e2-W registrations were at 1.05 lakh units in the previous month.

However, TVS Motor will go ahead with its new product

rollouts and plans to launch more e-scooters during the second or third quarter of this fiscal. "iQube is already positive at contribution level, but has EBITDA loss due to the front-loading of investments," said the report.

According to Radhakrishnan, two-wheeler exports are yet to see any material recovery, as almost all the markets are witnessing some issues, though they are abating. The company expects a recovery during the second half of this fiscal due to a low base. The company already has a presence in Africa, and it is looking to expand to new markets in Latin America and ASEAN.