

# Every fifth scooter may be electric in FY26

## Companies' confidence driven by growing network, new models

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Buoyed up by distribution expansion, a bevy of new launches, and the entry of Honda Motorcycles with electric Activa, two-wheeler manufacturers are confident that electric scooter (e-scooter) penetration could rise to a fourth or fifth of the total market (ICE and e-scooters) in FY26.

A top executive at a leading electric two-wheeler company said: "The industry is expecting two scenarios. At an average run rate of 120,000 units per month, we should reach 1.5 million sales in FY26. However, if we push the pedal a bit harder, penetration could reach 25 per cent, at a monthly run rate of 150,000 units."

This optimism is driven by the rapid increase in distribution, which allows major players to cover 60 per cent of the overall market where two-wheelers are

sold. Falling e-scooter prices, with new entry-level models, are also expected to expand the overall market.

E-scooters are projected to end FY25 with a penetration rate of 13–15 per cent. Based on VAHAN data, 0.79 million electric two-wheelers have already been registered in FY25, and the financial year is expected to close with over 1–1.1 million units sold, with three months still remaining. In FY24, scooters accounted for 33 per cent of total domestic two-wheeler sales, which exceeded 174 million units.

Top executives said EV companies, including leading players like Bajaj, TVS, Ather, and Hero MotoCorp, plan to add around 2,000 new dealers and sub-dealers to their networks across the country. Honda's entry into the electric market next year will add its own distributors to the network.



## THE ROAD AHEAD

- **120,000 to 150,000:** Expected average monthly sales
- **15 to 20:** New EV launches in the pipeline
- **₹39,999 to over ₹1.5 lakh:** Market price of electric scooters
- Pan-Indian expansion of dealers, sub-dealers
- Honda entering the market with a swappable battery option could churn the market

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# Rising dealer network drives e-scooter demand



Bajaj, for example, is expected to expand its dealer network from 2,000 to 3,000 outlets.

Similarly, Ather plans to add 600–700 dealers in FY26 from its current base of 260.

Meanwhile, Ola has announced it will open 3,200 stores on December 25, catering to smaller cities, towns, and tehsils, a move it claims will disrupt the market. This will take the company's total stores across the country to 4,000.

According to industry, this market expansion is accompanied by the launch of 15–20 new e-scooters, some of which have already been announced and are

expected to hit the roads next year. These scooters will cater to all segments of the market.

For instance, Ola has launched an e-scooter for the gig market priced at ₹39,999, and an entry-level model at ₹59,999. On the other hand, Bajaj recently announced two new e-scooters in the premium segment, priced at ₹1.20 lakh and ₹1.27 lakh, and hinted at a sub-₹1 lakh model.

Honda, meanwhile, plans to launch two e-scooters with swappable battery options, although many remain sceptical about the viability of this feature in the Indian market.