

Honda enters e-scooter mkt, banking on 'trust'

Unveils swappable battery-run 'Activa E' and fixed battery-run 'QC1'

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Honda Motorcycle and Scooter India (HMSI) has finally bitten the bullet and entered the electric scooter (e-scooter) market, with its main selling point of "trust and reliability", its Director (Sales & Marketing) Yogesh Mathur said on Wednesday.

"The most important point is trust... because there are a lot of pain points currently for the electric vehicle (EV) customer in the market. They are not really happy with the kind of products that are available," he told reporters after HMSI unveiled its first two e-scooters — swappable battery-run Activa E and fixed battery-run QC1 — in Bengaluru.

He mentioned that the two-wheeler (2W) industry is expecting lower double-digit volume sales growth in the current financial year (FY25) due to new emission norms coming into effect from April 1, which will lead to price hikes. In FY25 so far, the two-wheeler industry has been observing higher double-digit volume sales growth.

HMSI will start taking bookings for its two e-scooters from January 1 and their delivery will begin from February onwards. The company will reveal the prices of these e-scooters after it starts taking the bookings.

"From our side, our strategy is very clear in terms of establishing a service network, prior to sales network. That is our key focus, so that the customer can rely on us as they have trust in our products," Mathur noted.

Out of its total 6,000 sales and service touchpoints across India, over 1,000 are main dealerships, which will be the first ones to be upgraded to handle EV sales and services.

"Within the first year itself, we want to enter 50 per cent of the EV



(From left) Yogesh Mathur, director (sales & marketing), HMSI, and Tsutsumu Otani, president, HMSI, at the launch of the company's electric scooters on Wednesday

markets. So, the main dealerships in those markets will be upgraded initially, in the first year itself, to take care of EV sales and services," he stated.

HMSI is the last major, established two-wheeler player to enter the e2W market. TVS Motor, Bajaj Auto, and Hero Motocorp are already the top players in the e-scooter market.

HMSI President Tsutsumu Otani told reporters that he has taken up a "challenge" to produce and sell a total of 100,000 units of e-scooters in the first year.

Otani said the e2W market's growth has slowed down a bit recently but the long-term outlook for it continues to remain positive. However, he clarified that EVs are just one of the pathways to India achieving carbon neutrality as other vehicles, which run on biofuels or CNG, will also play a significant role.

HMSI, India's second-largest two-wheeler maker, sold 3.434 million units in the April-October period this year, recording a 28.71 per cent year-on-year (Y-o-Y) growth.

Mathur mentioned that the volume sales growth in the next financial year (FY26) is also going to be in lower double digits due to price hikes.

"The last quarter will determine the overall two-wheeler market growth in India for the next financial year, when there is going to be another transition, from OBD-2A norms to OBD-2B norms," he noted.

OBD-2A (On-Board Diagnostics 2A) norms are advanced vehicle emission standards in India, requiring real-time monitoring of emissions and compliance through on-board diagnostic systems. OBD-2B norms will come into effect from April 1 next year.