

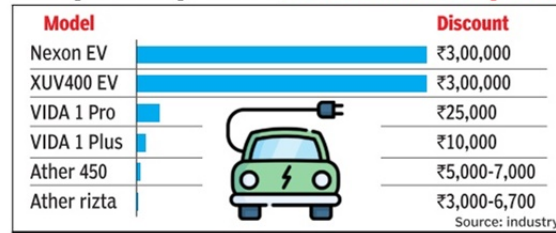
EVs on discount as stock piles up

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Chennai: It's discounts season in the electric vehicle market. Stock pile-ups, cheaper components and the pressure of CAFE norms have combined to bring big discounts to not only electric passenger vehicles but also electric two-wheelers. According to EV dealers, best-selling electric PVs like Nexon EV and XUV400 EV are offering discounts in the region of Rs 3 lakh. Electric two-wheelers are also offering between 10% to 20% off depending on models and variants.

Some best-sellers, like the Hero Motocorp Vida V1 Pro and Vida V1 Plus for example, are offering cash discounts of Rs 25,000 and Rs 10,000 respectively. Even elec-

Cheaper Components, CAFE Norms Help Too



tric two-wheelers on Flipkart are offering between Rs 2,500 to Rs 5,000 in discounts. The Ather Rizta is attracting between Rs 3,000 to Rs 6,700 in benefits while the Ather 450 is attracting between Rs 5,000 to Rs 7,000 in benefits. Almost all electric two-wheelers are attracting discounts across the range.

Typically, a lion's share of the EV discounts are borne by the OEMs, though dealers-

hips are also pitching in, making this the best time to buy EVs. Exchange bonus on offer is as high as Rs 15,000 while trade discount is between Rs 3,000 and Rs 5,000, say sources. Industry experts say part of the discounts are residual leftovers from festival schemes. Others are the result of stock pile-up due to festival season overproduction.

"Discounts and promotional offers were high in the en-

tire auto sector during the festive and post-festive period amid high inventory at dealers' end (especially PVs)," Srikumar Krishnamurthy, senior VP & co-group head (corporate ratings) at Icra, said. The scenario, he added, is not different in the global context as there has been a lower pace of growth in EV sales. "While the pace of growth is slowing down, EV sales volumes are heading for another record year," he noted.

According to Icra, the EV segment — which went from less than 2% in FY22 to around 5.5% in FY25 — will reach around 25% in case of two-wheelers and 15% in passenger vehicles by 2030.

Auto experts say the reason for EV discounting has to do with the demands of the Corporate Average Fuel Efficiency norms on companies.