AtliQ Motors | India EV Market Entry Strategy

Primary & Secondary Research (FY22–FY24 | Outlook to 2030)

Prepared by: *Palak* | Source: Codebasics.io, Industry Reports

India EV market presents a structurally attractive entry opportunity for AtliQ Motors

India EV market is in a hyper-growth phase, led by 2-wheelers with emerging 4-wheeler value pools

- EV market grew at ~94% CAGR (FY22–FY24), driven primarily by 2-wheelers (~90% of volumes)
- 4-wheeler EVs grew faster (116% CAGR) from a low base, indicating a premium, margin-led opportunity
- Overall EV penetration remains low (~4.8%), signaling long-term structural upside

Market structure differs sharply across segments and geographies

- 2W EV market is **fragmented and scale-driven**, while 4W EVs are **concentrated with early consolidation**
- EV adoption is **state-led**, concentrated in a few high-penetration states, with high-growth, low-penetration states offering expansion potential

implication for AtliQ Motors

- 2W EVs for near-term scale and capability building
- Enter 4W EVs selectively with a value-focused, mid-premium positioning as adoption and infrastructure mature
- Focus on high-potential states balancing immediate scale and medium-term growth
- Build ecosystem partnerships across charging, financing, and after-sales to accelerate adoption

A focused 4W EV entry, supported by ecosystem partnerships and geographic prioritization, can position AtliQ Motors for sustainable growth in India's evolving EV market

Interactive Power BI Dashboard: Link (View-only)

EV adoption varies sharply by state, making geographic prioritization critical

Total EV Sales

1.0M

Large base, but unevenly distributed

Avg EV Penetration

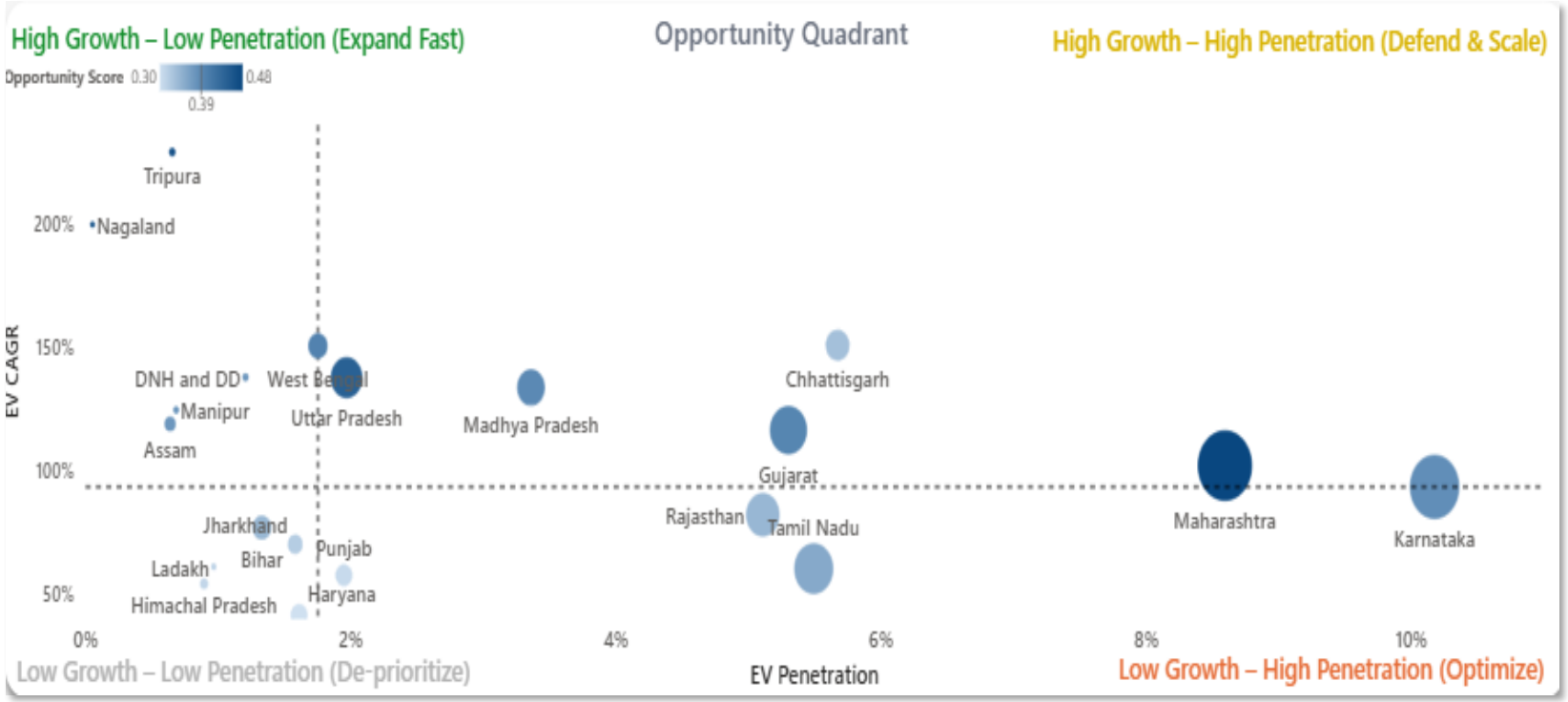
3.46%

Indicates early-stage adoption

Weighted Avg State CAGR

4.81%

Growth driven by select states



Key Insights

- EV leadership is concentrated in **high-penetration states (MH, KA)** → near-term scale
- **High-growth, low-penetration states** offer the strongest expansion upside
- **Large states deliver scale; smaller states drive acceleration**
- Sub-5% penetration indicates **significant untapped demand**

A two-speed rollout—scaling in mature states while seeding presence in high-growth, under-penetrated markets—will maximize impact.

EV market structure differs sharply by segment: fragmented 2W vs concentrated 4W

2W EV market is scale-driven, fragmented, and price-competitive

FY	2024			
Players	EV Units Sold	Market share	CAGR	YoY Sales Growth
OLA ELECTRIC	3,22,489	34.6%	373%	111.4%
TVS	1,80,743	19.4%	331%	120.2%
ATHER	1,07,552	11.5%	132%	39.8%
BAJAJ	1,05,695	11.3%	285%	222.3%
OTHERS	78,660	8.4%	78%	48.5%
AMPERE	54,388	5.8%	46%	37.8%
OKINAWA	20,621	2.2%	-34%	78.7%
BGAUSS	15,051	1.6%		
OKAYA EV	13,864	1.5%		5.3%
HERO ELECTRIC	11,949	1.3%	-59%	86.6%
KINETIC GREEN	9,585	1.0%		
REVOLT	7,254	0.8%	-3%	43.9%
BATTRE ELECTRIC	4,841	0.5%		

- Top 3 players account for ~65–70% of total 2W EV sales
- Market characterized by aggressive pricing, high churn, and scale advantage

4W EV market is concentrated, led by a few dominant OEMs

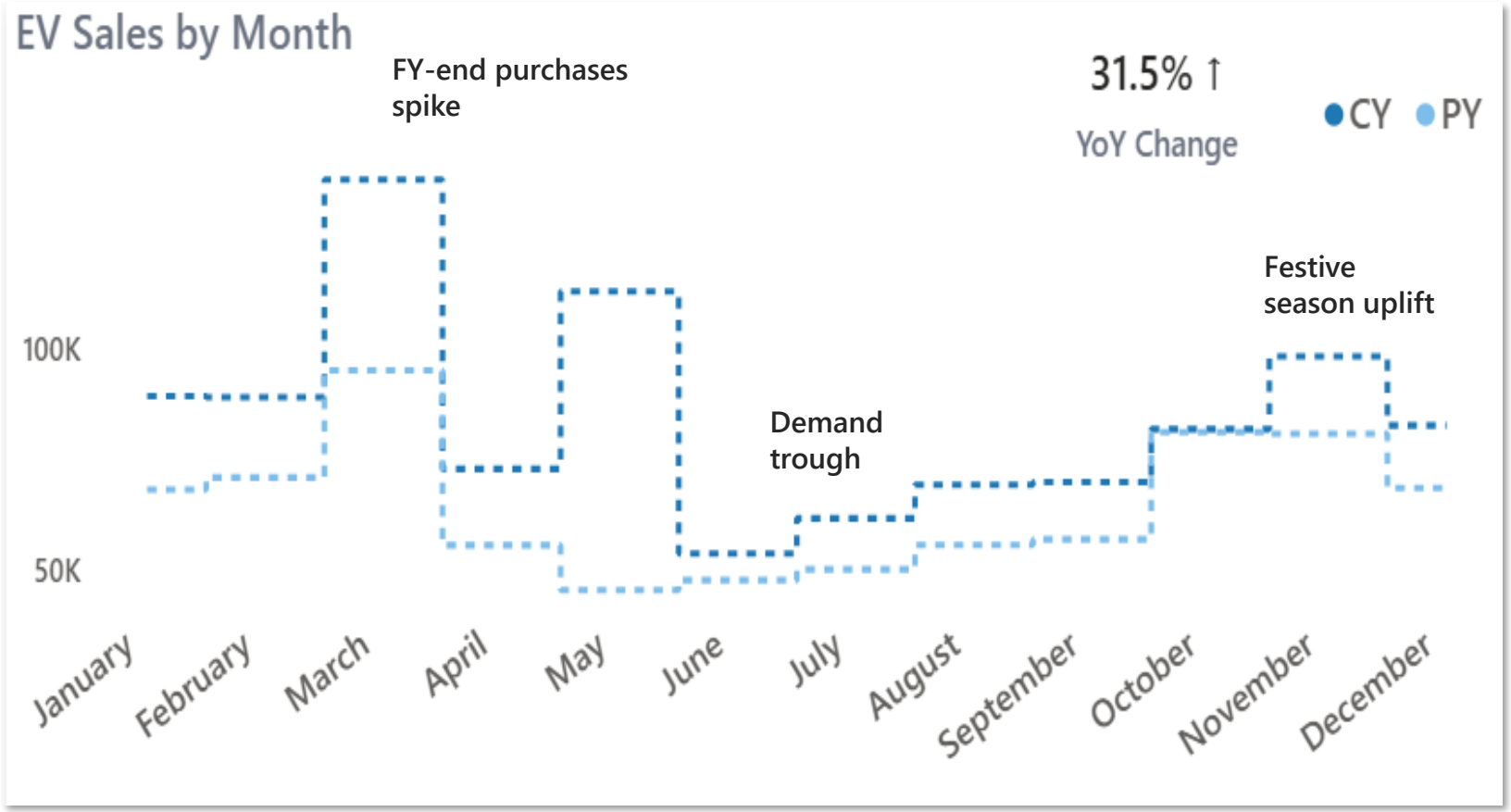
FY	2024			
Players	EV Units Sold	Market share	CAGR	YoY Sales Growth
Tata Motors	48181	55.4%	95%	71.8%
Mahindra & Mahindra	23346	26.9%	140%	69.1%
MG Motor	8829	10.2%	132%	169.4%
PCA Automobiles	1533	1.8%		915.2%
BYD India	1466	1.7%	567%	59.3%
Hyundai Motor	1390	1.6%	255%	141.3%
BMW India	1078	1.2%	1141%	278.2%
Volvo Auto India	459	0.5%	971%	337.1%
KIA Motors	328	0.4%		43.2%
Mercedes -Benz AG	291	0.3%	235%	309.9%

- Top 3 players account for ~65–70% of total 2W EV sales
- Market characterized by aggressive pricing, high churn, and scale advantage

Unlike the crowded 2W segment, the 4W EV market offers a clearer entry path through focused differentiation rather than scale alone.

EV sales show clear seasonality, with year-end and festive months driving peak demand

When should AtliQ launch, push inventory, and run campaigns?



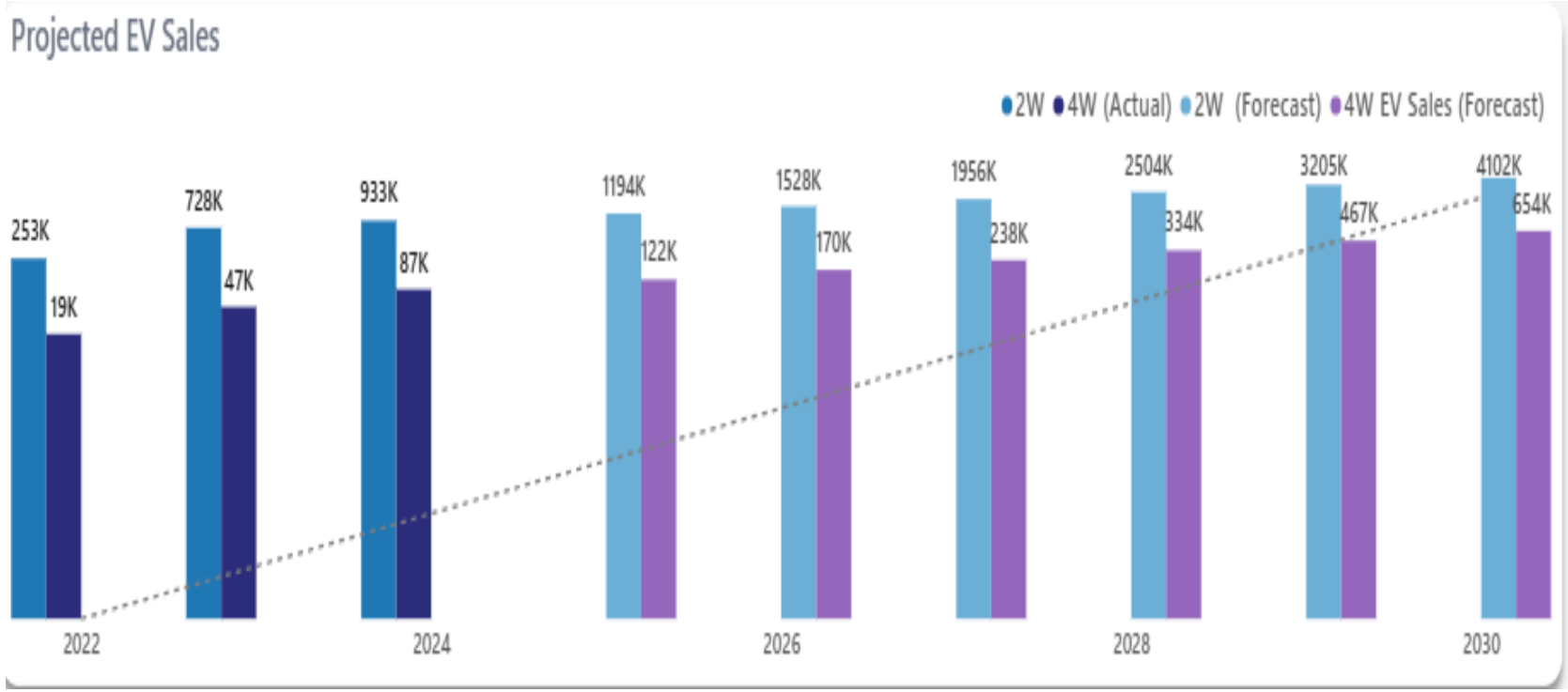
Key Insights

- EV sales peak during **financial year-end and festive months**
- Demand softens during **mid-year (Q2)** due to lower discretionary spend
- YoY growth remains positive despite seasonal fluctuations

Launch timing, inventory build-up, and marketing investments should be aligned to year-end and festive demand peaks.

EV growth to 2030 will remain volume-led by 2W, while 4W EVs grow faster and drive disproportionate value

Projected 2W EV Sales	Expected 2W CAGR	Projected 4W EV Sales	Expected 4W CAGR
4.10M	28%	654.32K	40%



Key Insights

- EVs remain the **primary growth engine by volume**
- 4W EVs grow **faster despite smaller base**, driven by premiumization
- Market remains **structurally under-penetrated**, supporting long-term growth

AtliQ should prioritize a focused 4W EV entry to capture faster value growth, while leveraging broader EV ecosystem momentum led by 2W adoption.

What is driving 4W EV adoption in India (2023–24)?

Economic savings and policy support are the strongest triggers for 4W EV adoption, while sustainability acts as an accelerator

Cost & Economic Benefits (Primary Driver)

- **Reduced fuel expenses** (₹5–7/km vs ₹12–15/km ICE)
- **Lower maintenance costs** (fewer moving parts)
- **Tax exemptions & subsidies** (GST, state incentives)
- **Improving resale value** (battery warranties, OEM trust)

Policy, Infrastructure & Product Maturity (Enabler)

- Government EV push (FAME, state policies)
- Expanding **public & home charging infra**
- Better **battery range & safety** perception
- Growing OEM portfolio (Tata, MG, Mahindra)

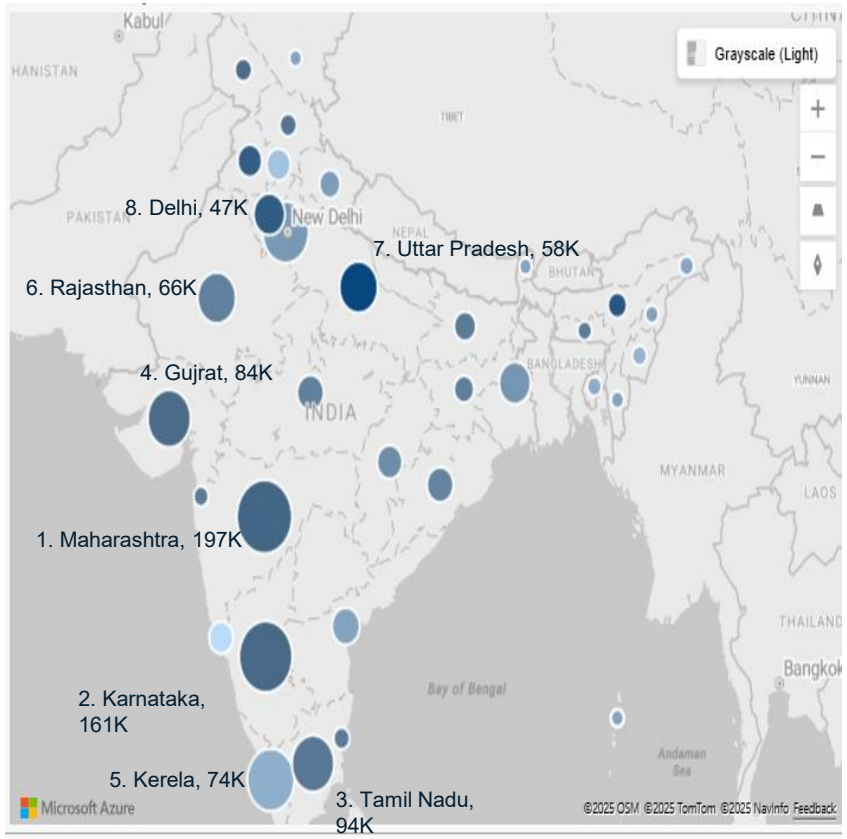
Sustainability & Experience (Accelerator)

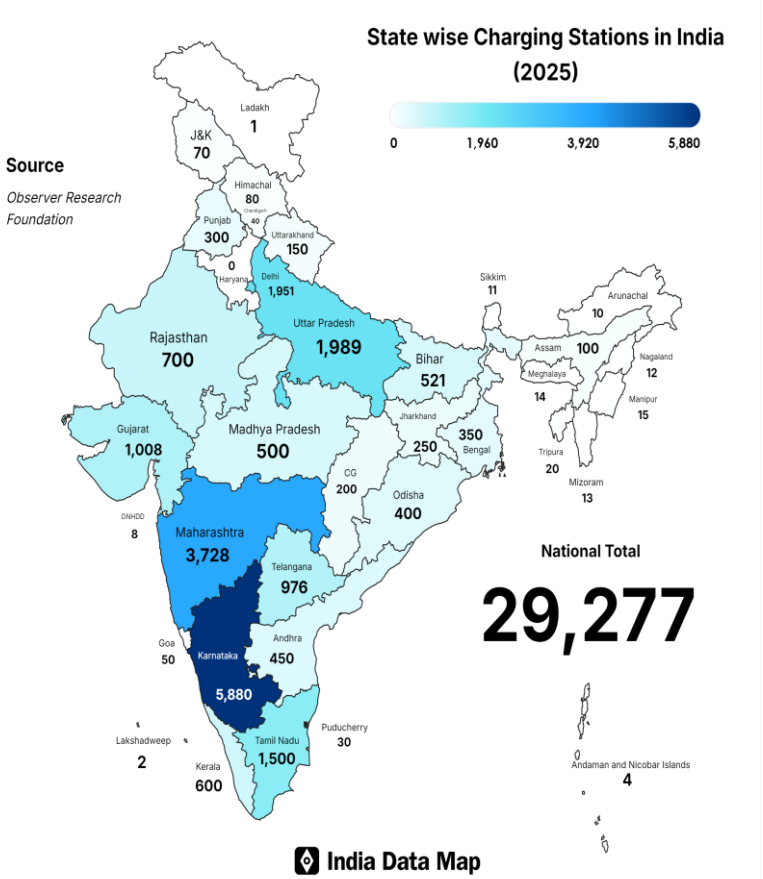
- Reduced carbon footprint
- Energy efficiency
- Less noise pollution
- “Future-ready” & tech-led image

In 2023–24, Indian customers choose 4W EVs primarily for economic logic, reinforced by policy support, with *sustainability acting as a secondary but rising influence.*

Government incentives and charging infrastructure materially accelerate state-level EV adoption

Top 8 States in EV Sales (2024)





Higher charging density aligns with higher EV sales concentration

AtliQ should prioritize EV expansion in high-infrastructure states and partner with governments to unlock adoption in under-served markets nationwide.

Key Insights

- States with higher public charging density show higher EV adoption.
- Financial incentives (subsidies, road-tax waivers, low tariffs) lower ownership costs and accelerate uptake.
- EV adoption is concentrated in states combining infrastructure and incentives (e.g., Maharashtra, Karnataka, Delhi).
- States with policy support but weaker charging networks underperform despite demand potential.

AtliQ Motors should enter EV market through a phased, 2W-led scale strategy, followed by selective 4W premium expansion

Phase 1 (0–18 months): Establish scale

- Launch **2W EV portfolio** in top EV states (MH, KA, TN)
- Priortise **fleet + mass commuter use-cases**
- Aggressive pricing + high localization

Phase 2 (18–36 months): Expand & differentiate

- Enter **high-growth, low-penetration states** (MP, WB, Gujarat)
- Strengthen charging partnerships
- Brand-building via performance + reliability narrative

High-growth states contribute ~30–35% of incremental EV demand

Phase 3 (36+ months): Premium value capture

- Launch **select 4W EV models**
- Urban-first (Tier 1 cities)
- Margin-led growth with **higher ASPs and brand halo**

Scale → Differentiate → Premiumize

Key Insights

- 2W EVs drive **~86% of volumes** → fastest path to scale
- 4W EVs grow **faster (40% CAGR)** → long-term value pool
- **Phased entry reduces capital risk** and accelerates learning
- **State prioritization critical** due to policy + infra variability

AtliQ Motors can minimize risk and maximize value by entering EVs through a phased, 2W-led scale play, followed by selective 4W premium expansion.

Tamil Nadu offers the lowest-risk and most scalable manufacturing base for AtliQ Motors

Criteria	Tamil Nadu	Maharashtra	Gujarat	Karnataka
EV Policy & Subsidies	🟢 High	🟢 High	🟡 Medium	🟡 Medium
Ease of Doing Business	🟢 High	🟡 Medium	🟢 High	🟡 Medium
Auto / EV Ecosystem	🟢 Strong (OEM hub)	🟢 Strong	🟡 Growing	🟡 Growing
Port & Export Access	🟢 Excellent	🟢 Good	🟢 Good	🔴 Limited
Power & Infra Stability	🟢 High	🟡 Medium	🟢 High	🟡 Medium
Policy Stability	🟢 Consistent	🟡 Moderate	🟢 Consistent	🟡 Moderate

Key Insights

- **Manufacturing success is ecosystem-driven, not demand-driven**
- **Tamil Nadu minimizes execution risk** through supplier density & infra maturity
- **Export readiness improves long-term unit economics**

Establish AtliQ Motors' **first EV manufacturing plant in Tamil Nadu**, while prioritizing **Maharashtra and Karnataka as demand-led sales markets**.

Brand Ambassador Archetype: ELITE PERFORMANCE ATHLETE

Virat Kohli best fits AtliQ Motors' premium, performance-led EV positioning

- **Performance & trust at scale** → aligns with EV reliability and long-term ownership
- **Mass-premium appeal** across Tier 1 & Tier 2 EV growth markets
- **Future-ready image** → fitness, discipline, responsible lifestyle

Final Recommendations

Enter EVs through 2W-led scale

- Launch **mass 2W EVs** in MH, KA, TN
- Fleet + daily commuters to drive **fast volumes**

Expand selectively by state

- Move next into **high-growth, low-penetration states** (MP, Gujarat, WB)
- Align rollout with **state subsidies & charging infra**

Capture value via premium 4W EVs

- Launch **select 4W models** in Tier-1 cities
- Focus on **performance, reliability & margins**, not volume

Build execution advantage

- Set up manufacturing in **Tamil Nadu** (strong ecosystem + export access)
- Position brand as **performance-led & future-ready**

Scale fast with 2W → expand smartly → monetize through premium 4W.

Data Sources & Key Assumptions

- EV sales & penetration data: **Codebasics.io**
- Industry insights: **McKinsey, Deloitte, MoRTH**
- CAGR & projections based on **FY22–FY24 trends**
- Revenue estimates based on **average segment-level ASPs**
- Analysis prepared for **academic & illustrative purposes**

Interactive Power BI Dashboard: Link (View-only)

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