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Published in Fortune India
July 05, 2025 | 03:23 PM IST

India's EV race becomes a three-way battle as Tata Motors, JSW MG Motor India, and M&M lock horns



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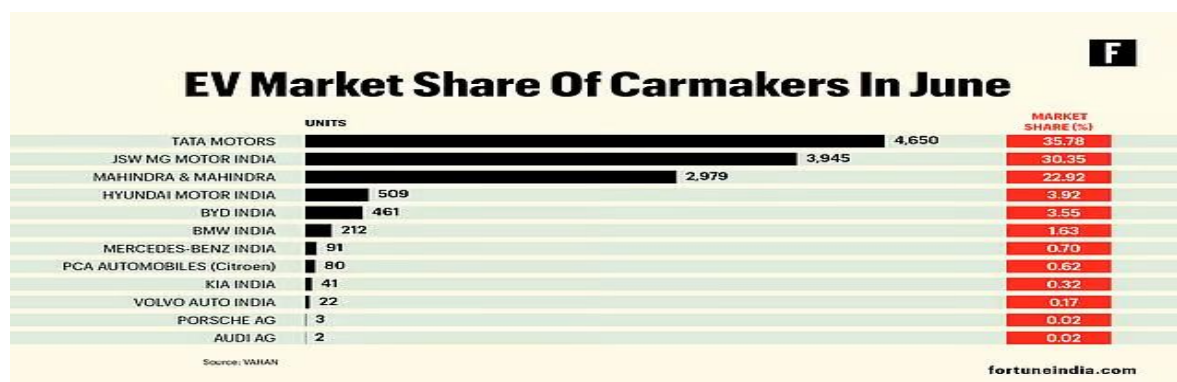
Synopsis

The race to become the largest seller of electric cars is turning out to be a three-way fight among Tata Motors, JSW MG Motor India, and Mahindra & Mahindra (M&M).

India's largest electric carmaker, Tata Motors, saw its EV market share shrink to 35% in June from 63% in the same month last year. During the same time, JSW MG Motor India's market share rose from 20% to 30%.

Mahindra & Mahindra is also closing in. M&M sold over 3,000 EVs last month, accounting for around 23% market share in June.

South Korean carmaker Hyundai Motor India managed to sell around 500 EVs, clocking less than 4% market share.



Chinese automaker BYD, which sells four models in India, cornered around 3% market share.

What has worked for JSW MG Motor India is a robust demand for the MG Windsor EV, which is driving the bulk of its EV sales. There are many myths surrounding electric vehicles, and MG Windsor has been able to dispel several of them, says Puneet Gupta, Director of India & ASEAN at S&P Global Mobility. "The price at which Windsor comes is comparable to ICE cars of similar size," he says.

"MG Windsor has been able to offer better pricing, positioning and packaging. It falls within the mass segment, but its positioning is geared towards a premium ride. When JSW MG Motor India launched it in 2024, it introduced the vehicle as a battery-as-a-service (BaaS) offering. They have been smart in terms of packaging," Gupta says.

Although Tata Motors has been India's top-selling EV maker for a long time, it has never worked on BaaS, he says. "That's the clear benefit that MG Windsor got because their packaging was very good. BaaS worked very well in favour of them," says Gupta. BaaS accounts for around 15-20% of total electric vehicle sales of JSW MG Motor India, JSW MG Motor India director Parth Jindal told *Fortune India* in January.

India's EV market is no longer a one-horse race, says Nikhil Dhaka, vice president at Primus Partners. "By introducing flexible options like battery rentals and subscription plans, JSW MG Motor India has made EVs far more affordable," says Dhaka.

Meanwhile, Tata Motors saw flattish EV sales in June despite having five electric models in its portfolio. The carmaker is now counting on the recently launched Harrier EV and the soon-to-be-launched Sierra EV to drive its electric car sales.

Yet, what's concerning is that the EV pie is not growing faster. EVs contribute just 2.5% to India's total car sales.

Even with all the buzz around electric vehicles, EV adoption in India is growing slower than many expected, says Dhaka. "The reasons are quite familiar, yet still stubborn. First, there's range anxiety; people are still worried about how far an EV will take them on a single charge and whether they'll find a charging point when needed. While the number of public chargers has crossed 25,000, the distribution is skewed, especially in smaller towns and highways, making long-distance travel a concern," he explains.

Price is another sticking point, according to Dhaka. Even though EVs are becoming more affordable, they're still about 25-30% more expensive than petrol or diesel vehicles upfront. "For many middle-class buyers, that's a dealbreaker, especially when there's still uncertainty around battery life, resale value, and how reliable these new models are over time," he says.

Gupta of S&P Global Mobility cites Japanese domination of India's auto industry as one of the reasons for the slow adoption of EVs. "The Japanese are not pushing electric vehicles across the globe. Till the time big players like Maruti Suzuki don't jump into the EV race, I don't think the industry will grow because the biggest player is sitting out of action," says Gupta.

While EV penetration has surged to over 5% in two-wheelers, the adoption in passenger vehicles remains stubbornly slow. "The real issue is that EVs today don't offer a compelling primary vehicle replacement for most Indian car buyers. Range anxiety, poor public charging infrastructure, and a lack of viable EV options below ₹10 lakh mean that many EVs are bought as second cars, not first. Until OEMs launch truly affordable, India-specific EVs with usable real-world range and the charging ecosystem improves meaningfully, the EV share in PVs will remain a niche play rather than a mainstream shift," says Ravindra Patki, managing partner, Vector Consulting Group