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Southern states hold the steering wheel in India's ePV transition



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India's electric passenger vehicle (ePV) market has expanded sharply over the past five years, with registrations rising from just 3,252 units in 2020 to about 170,000 in 2025. Throughout this scale-up, southern states have remained the bedrock of adoption, consistently contributing around one-third of national electric vehicle (EV) registrations – emphasising the region's role as the structural backbone of India's EV transition.

Vahan data shows that Karnataka, Kerala, and Tamil Nadu together accounted for nearly 38 per cent of EV registrations in 2020, when adoption was still nascent and concentrated in a few early-mover markets. As EV uptake broadened across the country, their combined share stabilised in the 31-33 per cent range between 2021 and 2025, even as absolute volumes surged. Analysts say this persistence highlights not a temporary policy-led spike, but deeper demand-side fundamentals at work in the southern belt.

Across every year since 2020, Kerala, Karnataka, and Tamil Nadu have featured prominently among the top-ranking states, alongside Maharashtra, which has emerged as the single largest market by volume. In both 2024 and 2025, the top three states – Maharashtra, Karnataka, and Kerala – together accounted for roughly 40 per cent of national four-wheeler EV registrations, reflecting a high degree of regional concentration despite the market's widening footprint. Vahan does not publish data for the state of Telangana.

“Southern states are slightly ahead on the EV adoption curve due to urban density, charging corridor electrification, and usage patterns, not because of materially superior incentives,” said

Subhabrata Sengupta, partner at Avalon Consulting.

Sengupta pointed out that dense cities, shorter trip lengths, and well-defined intercity corridors such as Bengaluru–Chennai, Bengaluru–Hyderabad, and coastal highways into Kerala reduce range anxiety and make EV ownership more practical. Kerala, in particular, stands out because its urban sprawl along national highways effectively functions as a single extended agglomeration, lowering barriers to everyday EV use.

According to Federation of Automobile Dealers Associations data, the ePV market share rose to 4 per cent in 2025, up from 2.4 per cent in 2024.

Industry observers argue that subsidies are no longer the primary differentiator. "Southern states, especially Karnataka, Tamil Nadu, and Kerala, accounting for around 30-35 per cent of EV registrations, are driven more by customer readiness, ecosystem maturity, and feasible use cases," said Anurag Singh, advisor at Primus Partners.

According to Singh, differences in state incentives typically amount to ₹10,000-30,000, which is increasingly insufficient to sway purchase decisions as EV prices fall and buyers focus more on real-world ownership experience, charging access, and total cost of ownership.

Structural factors continue to tilt the balance in favour of the South. These include high overall vehicle ownership, a large urban and salaried population, predictable daily driving patterns, and comparatively easier home-charging feasibility. The region also benefits from a strong original equipment manufacturer presence and supply chain depth, with manufacturers such as Tata Motors, Hyundai, MG Motor, and Mahindra & Mahindra having significant manufacturing, branding, or ecosystem focus in southern states. Karnataka's numbers have received an additional boost from the EV-heavy cab fleet and technology-driven early adopters in cities like Bengaluru.

That said, experts caution against reading the southern lead as permanent dominance. As charging infrastructure spreads, model availability expands in the ₹10–25 lakh segment, and EVs approach cost parity with internal combustion engine vehicles, adoption is expected to increasingly mirror overall PV demand across states. Northern and western markets are already catching up in absolute terms, even if penetration gaps remain modest.

Charging ahead

States leading EV passenger vehicle sales

2020	2021	2022	2023	2024	2025
Maharashtra	Maharashtra	Maharashtra	Maharashtra	Maharashtra	Maharashtra
Karnataka	Kerala	Kerala	Kerala	Karnataka	Karnataka
Delhi	Delhi	Karnataka	Karnataka	Kerala	Kerala
Kerala	Karnataka	Delhi	Gujarat	Tamil Nadu	Tamil Nadu
Tamil Nadu	Tamil Nadu	Gujarat	Delhi	Uttar Pradesh	Delhi

*Telangana numbers not included; Source: Vahan