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Key Press Reports on Industry and Govt. Policies
(2^{nd} Fortnight October 2025)

AUTOMOTIVE INDUSTRY
Business Line, 16 October 2025

Hyundai shifts into top gear in India with ₹45,000 cr plan

AIMING HIGH. Targets ₹1 lakh cr revenue by expanding capacity, launching 26 new vehicles

S Ronendra Singh
Mumbai

Signalling India's growing centrality to its global vision, South Korean auto giant Hyundai Motor Company (HMC) on Tuesday announced a ₹45,000 crore investment plan through 2030, aimed at expanding capacity, strengthening R&D and launching 26 products, including electric and hybrid vehicles.

"India isn't just important to Hyundai's global strategy — India is Hyundai's global strategy," said Jose Munoz, President and CEO of HMC. "We are better when we are challenged, and in this market, we compete with some of the best manufacturers in the world."

BOLD BET

Hyundai's aggressive bet on India comes amid intensifying competition from homegrown automakers such as Tata Motors and Mahindra & Mahindra, both rapidly expanding their electric and SUV portfolios.

Hyundai's product pipeline will include seven all-new models, six full-model changes, six variants and seven facelifts or enhancements. Of these, five will be electric vehicles and eight hybrid-electric vehicles.

BETTING BIG. India isn't just important to Hyundai's global strategy — India is Hyundai's global strategy, said Jose Munoz, President and CEO of HMC, speaking in Mumbai BLOOMBERG

The company will also foray into the multi-purpose vehicle and off-road SUV segment, and introduce its first 'Made in India' compact electric SUV, featuring Level 2 ADAS and a long driving range.

Hyundai aims to raise its domestic passenger vehicle market share to over 15 per cent, from around 13 per cent currently, and increase revenues 1.5 times to cross the ₹1 lakh crore mark by FY2030.

LUXURY BRAND

The automaker also confirmed plans to introduce its luxury Genesis brand in India, with the first locally produced model launching in 2027.

To drive this next phase of growth, Hyundai Motor India Ltd (HMIL) has appointed Tarun Garg, currently Whole-Time Director, as its Managing Director and CEO, effective January 1, 2026. Garg will be the first Indian to lead Hyundai's India operations in the company's three-decade history here.

FOCUS AREA

While continuing to strengthen its SUV line-up, Hyundai will also focus on the entry-level segment to capture first-time buyers who are likely to upgrade in future. "India is not one market but two," Munoz said.

"Many two-wheeler and three-wheeler users aspire to own a passenger car, and we want to be part of that journey," he said.

Munoz added that the company plans to manufacture all EVs locally to improve competitiveness and ensure better returns.

"We remain deeply committed to creating long-term value for shareholders by announcing a dividend payout guidance of 20-40 per cent," he said.

The author is in Mumbai at the invitation of Hyundai Motor India Ltd.

Also read p12

Business Line, 17 October 2025

Bharat Forge to manufacture fan blades for Rolls-Royce Pearl 10x engines

Aroosa Ahmed
Mumbai

Bharat Forge will manufacture and supply fan blades for Rolls-Royce Pearl 700 and Pearl 10X engines. Rolls-Royce signed an agreement with the company, stating it is a strategic move in in-country capabilities built on its commitment to double its supply chain sourcing from India by 2030.

Pearl 10X is the latest and most powerful member of the Pearl engine family, powering some of the largest, fastest and longest-range business jets. It features the Advance2 engine core, combined with a high-performance low-pressure system, resulting in a superior thrust of more than 18,000 lb.

SHARED VISION

"Rolls-Royce is delighted to deepen its partnership with Bharat Forge towards advancing the 'Make in India' vision. This reflects our commitment to developing world-class manufacturing capabilities in India, with a shared vision of delivering state-of-the-art aerospace components to the global supply chain ecosystem," said Sashi Mukundan, Executive Vice-President – Transformation, Rolls-Royce India.

Rolls-Royce started to collaborate with Bharat Forge in 2020, sourcing parts for the Pearl 700 programme.

Bharat Forge has worked with Rolls-Royce, delivering its first zero-defect fan blade in 2024. "This reflects our shared commitment to engineering excellence and long-term collaboration," said Amit Kalyani, Vice-Chairman and Joint Managing Director, Bharat Forge.

Business Line, 17 October 2025

'Roads and highways to drive construction equipment demand'

Rohit Vaid
New Delhi

India's roads and highways are poised to drive construction equipment (CE) demand in the second half of FY26 as healthy government spending accelerates infrastructure creation, said Volvo CE India's Managing Director Dimitrov Krishnan.

Notably, India has allocated ₹11 lakh crore for infrastructure creation in FY26.

Speaking to *businessline*, Krishnan cited the National Highways Authority of India's (NHAI) plans to bid out 124 projects worth ₹3.4 lakh crore in FY26. Besides national highways, Krishnan cited State-led road projects, rural connectivity programmes and mining activity expected to offset short-term fluctuations.

"Historically, execution picks up post-monsoon, and we anticipate a stronger second half. From Volvo CE's perspective, the roads sector will continue to offer a reliable growth engine, backed by long-term government commitment," he said.

Dimitrov Krishnan, Managing Director, Volvo CE India

Nonetheless, the overall CE landscape remains marked by uneven growth across segments. According to him, while demand for equipment used in roads and mining is improving, activity in urban construction and real estate remains subdued.

SHIFTING CAPEX

This divergence, he explained, stems from varying macroeconomic conditions and shifting government capex (capital expenditure) priorities.

Further, he pointed out implementation delays are hindering road sector projects' execution.

Krishnan stated that excessive rainfall across key regions had disrupted timelines, while weak State government finances had further constrained development spending.

"In many States, the capex focus has shifted towards welfare schemes rather than infrastructure development," he noted.

In the mining segment, prolonged monsoons have also led to a temporary slowdown. However, Krishnan expressed confidence in a rebound during the second half of the year, driven primarily by increased demand from the coal and iron ore sectors.

He stressed this would contribute to sustaining CE demand even if urban construction remains under pressure.

In addition, Krishnan pointed to external factors such as global macroeconomic conditions and trade policy uncertainties adding pressure. Nevertheless, he believes the government will now shift focus toward expediting execution, partly to counteract the effects of recent global trade disturbances and tariffs.

Business Line, 17 October 2025

Ashok Leyland wins ₹669 cr order for 1,937 buses for Tamil Nadu

Our Bureau
Chennai

Ashok Leyland has won an order to supply 1,937 buses to the Tamil Nadu State transport undertakings at a net contract value of ₹669 crore.

The order has been awarded post a regular tender process, wherein the company will deliver BSVI diesel fuel passenger bus chassis and low floor and semi low floor fully built buses, it said in a release.

Out of the total order, 1,701 BS VI diesel chassis and low floor fully built buses will be delivered between October 2025 and March 2026, and 236 semi low floor diesel BS VI fully built buses between September 2026 and January 2027, the release said.

This order further strengthens Ashok Leyland's long-standing partnership with the TNSTU and reaffirms its dominant position in the bus industry, the company said in the release.

Ashok Leyland has been the most preferred brand of TNSTU, with more than 21,000 buses operational in its fleet.

The order includes a diverse mix of fully built and chassis configurations tailored for town, mofussil and SETC applications.

Business Standard, 22 October 2025

Commercial vehicle sales up 2% in H1 as medium, light trucks drove growth

ANJALI SINGH
Mumbai, 21 October

Commercial vehicle (CV) sales registered a modest upswing, growing 2 per cent year-on-year (Y-o-Y) to 463,695 units in the first half of the financial year 2025-26 (H1FY26), according to data from the Federation of Automobile Dealers Associations (Fada).

The performance masked a shift in demand dynamics within the CV segment. The limited growth was primarily driven by the light commercial vehicle (LCV) and medium commercial vehicle (MCV) segments.

"Light and medium commercial vehicles have grown, indicating an increase in economic activity, especially in intracity and short haul," said Anurag Singh, advisor at Primus Partners. The overall CV segment saw only a 2 per cent growth in retail sales during the period.

However, the monthly data showed volatility. While the initial months of the calendar year saw strong numbers, January saw an 8.2 per cent rise. The retail volumes in May 2025 declined by 3.7 per cent Y-o-Y, reflecting an overall trend of "elevated inventory at the dealerships' end."

Overall growth was mainly tempered due to a decline in performance of the heavy commercial Vehicle (HCV) segment.

"HCV segment has declined primarily due to better roads and less time wasted at tolls & checkpoints," Singh noted. He explained that this increase in productivity for existing fleets has decreased the immediate need for replacements, thereby softening the demand for new heavy-duty trucks.

Despite the current challenges, the outlook for the CV market remains positive. Anurag Singh said that the prospect for all three segments — LCV, MCV, and HCV — is favorable in the wake of good monsoons and increased economic activity due to GST reduction."

Ratings agency Icra projected a modest Y-o-Y growth of 3–5 per cent in wholesale CV volumes for FY26, following a marginal 1.2 per cent decline in FY25.

This growth is expected to be supported by a stable macroeconomic environment and a revival in construction and infrastructure activities.

The growth will be led by the buses category, which is expected to expand at the highest rate of 8 to 10 per cent due to strong replacement demand.

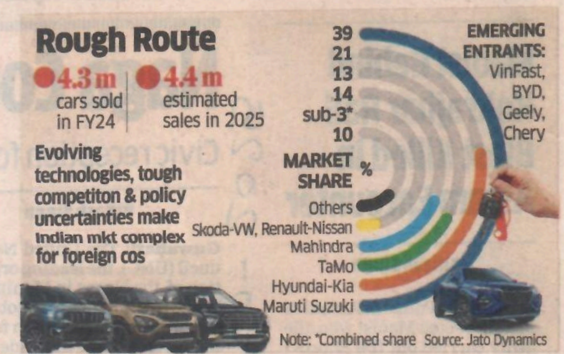
Steady climb

- Light commercial vehicle, medium commercial vehicle drove growth in H1 FY26
- Heavy commercial vehicle demand dipped due to better roads
- ICRA projects 3–5% CV growth in FY26
- Bus segment to lead with 8–10% growth

The Economic Times, 26 October 2025

NAVIGATING REGULATORY ROADS PROVES TOUGH

Global Automakers Seek Local Tie-ups to Steer India Plans



VinFast, BYD, Geely and Chery among firms on the lookout for biz partnerships

Lijee Philip

Mumbai: India is proving to be a tough market to navigate for global automakers, with the exception of some Japanese and Korean car companies.

To find traction in this market, the third largest in the world with plenty of room for growth, some of these automakers are exploring options that include partnerships with Indian business houses, which may be operating in a different industry, but can provide support to navigate policy uncertainties and market insights. They already have a template in the MG Motor-JSW Group joint venture.

Big American automakers General Motors and Ford have left India after failing to build a sustainable business here. Meanwhile, foreign companies that have built local joint ventures, such as Skoda-Volkswagen and Renault-Nissan, have yet to find sustained success in the Indian market, even after decades of presence and product renewals here.

As the market tightens, and technology and consumer preferences shift rapidly, industry executives and analysts said, some of these companies, as well as new entrants like Vietnam's VinFast and Chinese automakers BYD, Geely and Chery, are considering local partnerships.

JV between MG Motor, JSW Group provides a template for foreign cos seeking local partners for market insights

"India is no longer an easy market to read," said an auto analyst with a leading brokerage. "Demand has become fragmented, regulations keep evolving and competition is cutthroat. Companies without scale or deep local understanding find it hard to sustain distribution and after-sales support. Partnering with an Indian player may be the only viable way to stay relevant."

Tough Indian Terrain ▸▸ 9

Tough Indian Terrain

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Global automakers have long viewed India as a market of promise — high growth potential, a large young population and increasing incomes. But turning that promise into profitability has proved elusive for most.

The Renault-Nissan alliance, once buoyed by models like the Kwid and Duster, has seen its market share erode. The Skoda-Volkswagen group's 'India 2.0' project has brought new products like the Kushaq and Slavia, yet volumes remain modest in a market that sold nearly 4.3 million cars and utility vehicles in 2024.

Unlike Japan's Maruti Suzuki, Korea's Hyundai and Kia, or homegrown players Tata Motors and Mahindra & Mahindra, most global automakers have yet to fully decode the Indian buyer's mix of value, reliability and affordability. Japan's Toyota Motor, which has a local minority partner in Kirloskar, and Honda have seen success in certain segments.

"Hyundai and Kia have a strong local supply base, India-first product strategy, and aggressive market positioning. The two Korean brands now account for over a quarter of all passenger vehicle sales," said a Mumbai-based analyst. "That's why India is now their growth engine globally."

Companies like Maruti Suzuki, Tata and Mahindra have invested for the long haul and built strong supplier and dealer networks. Several global automakers have been hesitant or underinvested in these areas.

Having a local partner could matter in these circumstances.

For several global brands, the missing piece has been a dependable local ally, said industry experts. Beyond capital, such a partner can provide policy assurance, local market knowledge and help understand regulatory complexities — especially critical for companies from geopolitically sensitive regions such as China.

"A domestic partner can lend credibility and continuity, particularly when regulatory frameworks are unpredictable," said a senior executive of a car company. "It can also improve after-sales reach and dealer confidence, areas where most foreign OEMs lag due to low volumes."

Chinese-owned British brand MG Motor tied up with Sajjan Jindal's JSW Group, after it found bringing foreign investment to scale up difficult amid worsening India-China relations.

JSW bought a 35% stake in MG Motor India from China's SAIC Motor in late 2023, which has helped the brand better local credibility, expansion headroom and policy comfort.

French automaker Renault is reportedly in early discussions with the JSW Group for a potential joint venture in India, as it seeks to strengthen its India presence. Its market share in India remains less than 1%. JSW Motors, the SAIC-JSW Group joint venture, is also in talks with other automakers like BYD and Skoda VW for technology and platform access, as it actively seeks new partnerships to expand its presence in the electric mobility segment. Chery Automobile will provide components to the JSW Group, facilitating the launch of a new-energy vehicle brand in India by 2027.

"We will have collaborations to draw upon the unique strengths of industry-leading partners from around the world like sourcing proven EV and battery technologies from China, design and safety excellence from Europe, software and connectivity from the US, and combining them with India's manufacturing strength and digital agility," said JSW Motors chief executive Ranjan Nayak.

The Economic Times, 27 October 2025

AS GLOBAL TRADE SHIFTS

India's Auto Industry to Boost Investment in South Africa

Mahindra plans to upgrade existing production, while TaMo seeks tie-up

IANS

New Delhi: India's automobile industry is set to expand its presence in South Africa, as several companies plan to upgrade their existing assembly operations into full-fledged manufacturing units and set up new plants.

The move comes amid South Africa's push to attract major global automakers to invest and strengthen its local automobile sector, News South Africa reported.

According to South African trade, industry and competition minister Parks Tau, Indian and Chinese automakers have expressed interest in increasing their investments in the country.

Tau has been in talks with several automakers as part of the government's strategy to revive the local auto industry, which faces multiple challenges such as falling export demand, rising competition from cheaper imports, and infrastructure issues.

The South African auto industry has been under pressure due to declining exports, especially after the United States imposed tariffs. Additionally, a proposed European Union ban on internal combustion engine vehicles has further threatened the country's export markets.

This has prompted the government to shift focus towards new energy vehicles and attract investments in electric mobility.

Business Standard, 30 October 2025

Suzuki plans to launch 8 SUVs in India in 5 yrs, eyes 50% mkt share

Multiple powertrains to be introduced in the country

Suzuki Motor plans to launch eight sport utility vehicles in India over the next five to six years as it looks to reclaim market share lost to rivals, the Japanese automaker's president Toshihiro Suzuki said on Wednesday.

The firm is aiming to bring its share of the Indian market — currently at 38 per cent — back to its pre-pandemic level of around 50 per cent, even as competition is at its fiercest since Suzuki began operating in India four decades ago, he said.

"India is Suzuki's most critical market and we have big plans for India," Suzuki said on the sidelines of the Japan Mobility Show in Tokyo.

Suzuki wants to be the biggest seller of electric cars in India and maintain its lead as the country's biggest car exporter, he added.

The new SUVs will bring Suzuki's total product portfolio in India to 28 models.

"We are carefully bringing products and technologies to fulfill aspirations of people ... from entry-level to large SUVs and MPVs," Suzuki said.

He said the push would bring multiple powertrains to India, including hybrids as well as compressed natural gas and biogas-powered cars.

He did not give a timeline for meeting the goals.

Suzuki's ambitious plans for India come as its local unit, Maruti Suzuki has lost ground to rivals. In August, Suzuki announced plans to invest $8 billion in India, doubling a commitment it made earlier in the year.

REUTERS

Business Line, 30 October 2025

India 3rd most important market for Honda, to bring in fresh products

S Ronendra Singh
Tokyo

Japanese auto major Honda Motor has said that India is the third most important market for the company after the US and Japan. The company said it will bring out fresh products for the Indian market to compete with others.

Honda also said that it is working on alternative fuel options, apart from strong hybrid, and will launch electric vehicles too for the Indian market, in the next two years.

Meanwhile, the company unveiled the prototype of Honda 0 (zero alpha) next-generation electric vehicle (EV), at the Japan Mobility Show 2025. The EV will be launched in Japan and India simultaneously in 2027. "We are considering India as one of the most important markets. May be three years before, we were not thinking like that, but currently yes, we are very much concentrating on the Indian market. For our future business expansion plans, India is the most important part," Takashi Nakajima, President and Chief Executive Officer, Honda Cars India Ltd (HCIL) told *businessline* here.

Takashi Nakajima, President and Chief Executive Officer, Honda Cars India Ltd

ENGINE POWERTRAINS

On engine powertrains also, he said the company is considering multiple options for its future cars. HCIL sells only three products – Amaze, City and Elevate – in the Indian market right now. The company has discontinued its popular models like the Civic and CR-V in late 2020, and WR-V in 2023.

"Learning from past experience, we cannot concentrate on some particular engines...now we will be considering several ways, not only electric or internal combustion engine vehicles, but, of course, strong hybrids also, where we have the advantage where we can expand our business," he said. When asked about introducing small cars or entry-level cars so that two-wheeler commuters can upgrade to a four-wheeler, Nakajima said that Honda Cars has always been considering that, but it "very difficult".

"From ₹1 lakh (price of a two-wheeler) to ₹10 lakh (for a Honda car), the gap is very huge, so it is very difficult to do. For instance, small cars like the 'Kei' car in Japan costs around ₹20 lakh, a lot of technology in a small car, so it takes time to develop such products," he added.

The writer is in Tokyo at the invitation of Honda Cars India Ltd

Business Line, 31 October 2025

Toyota expands India's market strategy with 15 new models and rural focus

Reuters

Toyota plans to launch 15 new and refreshed models in India by the end of the decade while deepening its rural network, sources said, as record profits in the country make the market increasingly important.

Battered by stiff local competition in China, several global automakers have set their sights on India as a market worthy of heavy investment, especially given surging economic growth.

Underscoring Toyota's revved-up ambitions, the Japanese automaker is now aiming to lift its share of the country's passenger car market before the end of the decade to 10 per cent from 8 per cent currently, one of the sources said. Success would see it become less reliant on alliance partner Suzuki,

which provides Toyota with vehicles that are then rebadged under the Toyota brand.

The 15 models will include Toyota's own cars, vehicles supplied by Suzuki, as well as upgrades of existing models, according to three people briefed on the matter.

NEW SUVS

There are likely to be at least two new SUVs from Toyota's own brand, which will be designed to take on leading SUV-makers like Mahindra & Mahindra and Hyundai Motor, as well as an affordable pick-up truck to widen its appeal in rural India, one of the sources said.

Toyota is also setting up lean-format sales outlets, with just one or two cars on display instead of the whole range, and smaller, two-bay workshops in rural areas to make deeper inroads there, the source added.

"Toyota has a two-pronged strategy for India – lure customers from competitors with mid-market and premium SUVs and continue adding buyers in small towns and rural markets," a second source said. According to them, the strategy is still being finalised.

The Japanese carmaker's local unit, Toyota Kirloskar Motor, logged a record profit of $640 million last fiscal year, thanks to its alliance with Suzuki, which boosted sales and increased factory utilisation.

ELECTRIC VEHICLES

Business Standard, 17 October 2025

Hybrids outpace petrol, EVs as preferred vehicle for buyers: Survey

ANJALI SINGH
Mumbai, 16 October

Hybrids have emerged as the preferred choice for Indian car buyers this festival season, surpassing petrol and electric vehicles, according to Grant Thornton Bharat's latest survey.

According to a survey conducted across multiple cities and age groups with 2,800 respondents, 38 per cent favour hybrid vehicles, 30 per cent picked petrol and 21 per cent opted for EVs, reflecting a shift toward balanced performance and fuel efficiency.

Overall, 41 per cent of respondents indicated plans to purchase a vehicle in the next three to four months, signalling a rebound in consumer sentiment. 72 per cent of buyers had deferred purchases in anticipation of GST 2.0 rationalisation. The survey highlights the role of policy reforms and simplified taxation in influencing buying decisions, especially in Tier-II and –III cities.

OVERALL, 41 % RESPONDENTS INDICATED PLANS TO PURCHASE A VEHICLE IN THE NEXT 3 TO 4 MONTHS, SIGNALLING A REBOUND IN CONSUMER SENTIMENT

SUVs dominate India's passenger vehicle market, with 64 per cent respondents preferring the category. The segment accounted for 65 per cent of FY25 sales, up from 50 per cent two years ago. Safety is emerging as a critical factor, with 34 per cent prioritising it over price and mileage, reflecting growing awareness of crash tests and tech-enabled safety features.

With premiumisation on the rise, over 35 per cent people are willing to pay extra for high-end variants and 65 per cent indicated acceptance of a 10–15 per cent price premium for added features. The survey further points to a 34 per cent growth in passenger vehicle retail during Navratri 2025, driven by GST-led affordability, new launches, and upgrade buying. Stable interest rates, rising disposable incomes, and government reforms are expected to sustain demand across urban and semi-urban markets.

The Economic Times, 17 October 2025

EV Share in US Car Sales Rises to 11%

Americans bought 438,500 electric cars and trucks in the third quarter, as drivers raced to grab federal incentives before they expired Sept. 30.

Those transactions, the highest number in a single quarter, comprised 11% of all new car sales, eclipsing the previous high point of 8.7%, according to Cox Automotive, a services and technology company.

A crowd of more affordable cars next year could help maintain the momentum, but analysts expect EV transactions to dip in the months ahead without federal tax credits.

Stephanie Valdez Streaty, Cox Director of Industry Insights, said in a report EVs could account for one quarter of all new US car sales by 2030. That's "well short of the 50% once envisioned, but certainly moving out of the 'niche' category."

The sales highlight a tricky dynamic forindustry: Millions of Americans want EVs, but relatively high prices remain a speed bump to adoption. Bloomberg

The Economic Times, 25 October 2025

At 5%, EV share in car sales nearly doubles in yr

Times News Network

New Delhi: The start may have been slow, but adoption of electrics has started to pick up in the country, with contribution of green cars to total sales nearly doubling over last one year, though on a lower base.

Not only this, at 91,726 units, first six months of fiscal 2025-26 have seen sales of electrics cover nearly 86% of what was sold in the full year of FY25 (around 1.1 lakh units), showing the growth in adoption of EVs. With this, the share of electrics in total passenger vehicle (PV) sales has now moved to around the 5% mark against 2.6% recorded at the end of FY25.

Sales of electrics grew by 108% to 91,726 units in first half of FY26 against 44,172 units in the same period of previous year, according to numbers provided by Federation of Automobile Dealers Associations (FADA). This strong performance was led by by JSW MG Motor, Tata Motors and others such as BMW and Mahindra & Mahindra. JSW MG's Windsor SUV crossed 50,000 units in just one year of its launch, showing one of the fastest scale-ups for an EV model.

Anurag Mehrotra, MD of JSW MG Motor, said the share of EVs to the company's sales is 80% as it witnesses strong traction across segments. "EVs are expected to cross 7% industry market share by this year-end. Together, EVs and hybrids are likely to hit 30% share in a decade."

Shailesh Chandra, MD & CEO of Tata Motors Passenger Vehicles, said EVs have also played a strong part in the company's healthy performance in festive season. "Our EV portfolio continued its upward trajectory with over 10,000 units retailed in 30-day window from Navratri to Diwali. This is up 37%. Second quarter of this fiscal has seen our EVs grow by 59% y-o-y on a total volume of 25,000 units. Share of EVs at the end of Q2 stands at 17% to overall sales."

The demand for green cars has been equally strong when it comes to luxury. BMW and Mercedes have seen strong adoption of electrics, prompting the brands to launch more green cars.

Hardeep S Brar, president & CEO of BMW India, said the group recorded highest EV sales in Jan-Sept 2025. "A total of 2,509 electric BMWs and MINIs were delivered, with a growth of 246% y-o-y. BMW iX1 long wheelbase is the highest-selling electric car, followed by the flagship i7. The share of EVs in total sales further increased to 21%. By 2030, this is expected to increase to 30%," Brar said.

Santosh Iyer, MD & CEO of Mercedes-Benz India, said EVs are a key element in the company's decarbonisation roadmap. "Our top-end battery electrics drive our strategy with the locally-produced EQS SUV recording its highest sales ever, accelerating our EV penetration to 8% of total volumes. The company has seen a 10% growth in EV sales in the second quarter of this fiscal."

EV SALES SURGE 108% IN APRIL-SEPT

At 91,726 units, sales of EVs in April-Sept of FY26 have reached nearly 86% of numbers sold in 2024-25

In H1 of 2025-26, sales have shown a growth of 108% from 44,172 units in same period of previous year

"Share of EVs to sales is 80%
—ANURAG MEHROTRA | MD OF JSW MG MOTOR

"In Jan-Sept 2025, 2,509 electric BMWs and MINIs were delivered, showing a growth of 246% y-o-y
HARDEEP S BRAR | PRESIDENT & CEO OF BMW INDIA

"Share of EVs at end of Q2 stands at 17% to overall sales
SHAILESH CHANDRA | MD & CEO OF TATA MOTORS PASSENGER VEHICLES

"The company has seen 10% growth in EV sales in Q2 of this fiscal
SANTOSH IYER | MD & CEO OF MERCEDES-BENZ INDIA

RAW MATERIAL

Business Standard, 27 October 2025

STEEL MINISTRY, INDUSTRY CAPTAINS TO MEET TODAY

Steel industry flags price pressure from cheap imports

SAKET KUMAR
New Delhi, 26 October

Ahead of the key meeting called by the steel ministry with the industry captains on Monday to discuss the impact of rising steel imports, companies have raised the issue of cheaper 'substandard' inflows from China, Vietnam, and South Korea, saying they are setting the benchmark for domestic prices and squeezing the profitability of Indian producers.

Abhyuday Jindal, managing director of Jindal Stainless, said that growing imports of 'subsidised and substandard' steel are creating unfair competition for Indian manufacturers. "These imports destabilise prices and pose safety and quality risks, especially in sectors like infrastructure, automotive, food, pharma, and construction," Jindal told *Business Standard*.

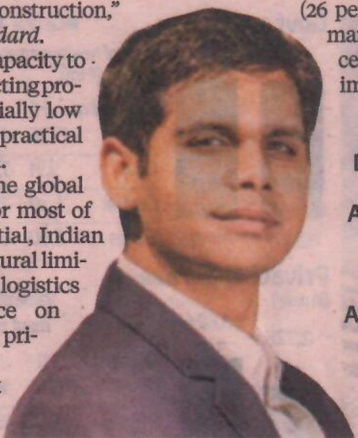
"India has enough capacity to meet demand, but expecting producers to match artificially low import prices is neither practical nor sustainable," he said.

Experts say while the global oversupply accounts for most of the realisation differential, Indian producers do face structural limitations due to higher logistics costs and dependence on imported raw materials, primarily coking coal.

According to Ankit Hakhu, director, Crisil Ratings, "Declining realisations led to a dip in domestic primary steelmakers' profitability per tonne, which fell below the decadal average in the financial year 2025."

The average domestic flat steel prices fell by about 10 per cent year-on-year in FY25 as global oversupply and weak demand redirected surplus steel to India. Landed import prices of Chinese hot-rolled coil (HRC) were 5-6 per cent lower than domestic prices in FY24 and FY25. After the government imposed a 12 per cent safeguard duty in April this year, prices nearly equalised, with domestic HRC averaging ₹52,675 per tonne in September, compared to ₹52,207 per tonne for Chinese imports, Hakhu said.

India's steel imports rose to a nine-year high of 4.03 million tonnes in FY25, led by South Korea (29 per cent) and China (26 per cent). To protect primary steelmakers, a 12 per cent safeguard duty was imposed on certain flat steel from April 2025, resulting in a 40 per cent moderation in imports in YTD FY26 (till August 2025) compared to the previous year, according to Hakhu. The Directorate General of Trade Remedies (DGTR) recommended a three-year safeguard duty with a proposed duty structure of 12 per cent, 11.5 per cent, and 11 per cent in the first, second, and third years, respectively.



"THESE IMPORTS DESTABILISE PRICES AND POSE SAFETY AND QUALITY RISKS, ESPECIALLY IN SECTORS LIKE INFRASTRUCTURE, AUTOMOTIVE, FOOD, PHARMA, AND CONSTRUCTION"

Abhyuday Jindal
Jindal Stainless MD

The RBI's latest bulletin released last week noted that cheaper imports are weighing on domestic production and prices despite steady demand growth in India.

Jindal said Indian producers operate under stricter labour, quality, and environmental standards, which add to production costs. Imported material is often cheaper because of weaker standards and state support abroad. Competing with that without diluting quality is nearly impossible, he said.

Even as large producers seek protection from low-priced imports, smaller manufacturers that depend on steel inputs are primarily focused on securing material at affordable rates.

According to Sanjay Singh, director, Jindal Steel, it is not a conflict of interest but MSMEs require input material at the best price. "Such material is produced by large producers, who also need to remain competitive. Nevertheless, the government is facilitating the provision of input material to MSMEs at lower than market prices and has provided directions accordingly. Such subsidised prices are also required to be published on the steel producers' websites," Singh told *Business Standard*.

GOVERNMENT POLICY

The Times of India, 22 October 2025

India's aircraft component sector takes flight

Reeba.Zachariah
@timesofindia.com

Mumbai: Global aerospace giants are boosting their sourcing from India, accelerating growth in the country's emerging aircraft component sector. Local companies are expanding capacities, moving beyond basic manufacturing to higher-value work, and scouting for acquisitions, with revenue numbers soaring due to robust orders.

The sector is also gearing up to launch about Rs 5,700 crore of IPOs in the next few months, given the buoyant equity market and growing investor appetite for high-growth potential companies. It is also one of the few sectors that has been less affected by US import tariffs compared to other industries like textiles, gems, and auto parts, where duties are double (50%) than those on aerocomponents (25%).

"We build the business and invest for the long term. Tariffs are something we don't have control over as a company. The key thing is we are a critical part of our customer supply chain, and it is not something they can source elsewhere overnight. It takes years of planning for them to make any changes. We are critical enough for customers that paying tariffs is not a material issue. Our US customers, when they export products, get credit back on the duty," said Aequs chairman & CEO Aravind Melligeri.

The Belgaum-based company, which counts Airbus, Boeing, Bombardier, Collins Aerospace, and Spirit Aerosystems as customers, earned 89% of its Rs 925 crore revenue in FY25 from aerocomponents.

Low Tariff Impact

➤ It is a sector where the impact of US tariffs is less compared to industries like textiles, gems, and auto parts

➤ The sector is gearing up to launch about **₹5,700cr of IPOs** in the next few months

What next? India has **2% share** in global aerospace supply chain, despite being a major aircraft buyer. Industry players aim to increase India's share to 10%

The numbers tell the growth story. The US-based Boeing sources components and critical systems of over $1 billion annually from India as compared to $250 million a decade ago. Likewise, France's Airbus plans to increase its procurement to $2 billion from India by 2030.

Azad Engineering, a Hyderabad-based supplier to Honeywell Aerospace, Rolls Royce, and Eaton Aerospace, saw an 84% jump in its aerospace and defence business revenue to Rs 81 crore in FY25, with a 215% jump in stock price since listing in Dec 2023.

"Earning the trust of an OEM — especially for life-critical and highly engineered components — requires years of consistent performance, precision, and reliability, not just by simply acquiring technology," said Azad Engineering chairman & CEO Rakesh Chopdar. "Having demonstrated these capabilities over time consistently, we now enjoy the confidence of our global aerospace and defence customers, who entrust us with long-term contracts." Azad has an order book of Rs 1,700 crore, exceeding 20 times its annual sales. This strong momentum, said Chopdar, has "led us to establish an additional manufacturing facility in Tuniki Bollaram, Telangana".

To accelerate growth, Unimech Aerospace and Manufacturing has been exploring acquisitions and JVs. "We are evaluating precision manufacturing targets, both in India and the US," said company co-founder Rajanikanth Balaraman.

Data from IPO tracker Prime Database showed that SMPP and Aequs had received Sebi approval for Rs 4,000 crore and Rs 1,700 crore IPOs.

Business Line, 22 October 2025

HAL to begin delivering indigenous HTT-40 trainer aircraft from February

HOME BUILT. HTT-40 project was started with HAL initiating design and development using internal funding

Dalip Singh
New Delhi

Hindustan Aeronautics Ltd (HAL) will start delivery of the indigenous Hindustan Turbo Trainer-40 (HTT-40) aircraft from February, following a delay of nearly six months, primarily due to supply disruptions of TPE331-12B turboprop engines from US-based Honeywell.

HAL was originally scheduled to receive six of these engines in 2025 to begin production, but delays from Honeywell impacted the timeline.

However, the US manufacturer has now committed to supplying three engines per month starting 2026, according to sources within the state-owned aerospace giant.

Honeywell is the second US engine manufacturer, after GE Aerospace, whose F404-IN20 engines are designated for the Light Combat Aircraft (LCA) Tejas MkIA, to miss delivery timelines, impacting the Indian Air Force's plans to augment its depleting fleet strength.

NEW WINGS. The HTT-40 trainer aircraft, which will eventually replace the Swiss-origin Pilatus PC-7 MkII DALIP SINGH

Under the original production plan, HAL aimed to roll out 10 HTT-40 aircraft from its Nashik facility and two from its Bengaluru plant by the end of this year.

INDIGENOUS PLATFORMS

Although the target has shifted, HAL now plans to ramp up production to deliver the first three aircraft to the IAF by February 2026, partially offsetting lost time. Each HTT-40 aircraft will carry a tail number in the "TH-4000" series, with the first unit from Nashik designated as "TH-4001". One of the aircraft scheduled for February delivery is currently undergoing system integration and sub-assembly installation at the Nashik facility — a plant that has transitioned from assembling Russian-origin fighter jets like the MiG-series and Su-30MKIs to manufacturing indigenous platforms like the LCA Tejas Mk-IA and HTT-40.

The HTT-40 project has been a key indigenous effort, with HAL initiating design and development using internal funding to meet IAF requirements after the retirement of the indigenous HPT-32 'Deepak' in 2014. The HTT-40 will eventually replace the Swiss-origin Pilatus PC-7 MkII as the IAF's primary basic trainer aircraft.

As part of HAL's effort to boost the domestic aerospace ecosystem, nearly 38 per cent of the HTT-40's components — including machined parts and empennages (tail assemblies) — have been outsourced to about 100 private vendors, primarily Micro, Small and Medium Enterprises.

HAL is also working toward securing both the military-specific Air Staff Qualitative Requirements (ASQR) for the IAF and the FAR-23 certification — a set of stringent safety and performance regulations from the US Federal Aviation Administration (FAA). These certifications are expected to enhance the aircraft's robustness and export potential, particularly to countries with similar pilot training requirements.

Business Line, 28 October 2025

'US tariff, global uncertainties dented biz confidence in Q2'

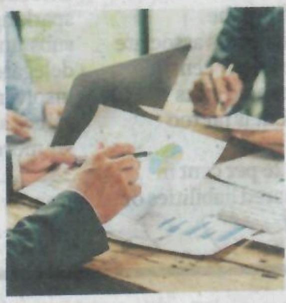
Our Bureau
New Delhi

For the first time in four quarters, business sentiment in India moderated during the July-September quarter (Q2 of FY26), according to the National Council of Applied Economic Research (NCAER), which announced this on Monday.

"In the midst of high global uncertainties, including additional US tariffs, business sentiment in India moderated in the second quarter of the current fiscal after improving for three previous quarters consecutively," NCAER said in its latest Business Expectations Survey. However, it said the effect of GST rate cut is expected to be felt over the remaining two quarters.

The survey is based on responses from 484 companies.

It stated that the Business Confidence Index (BCI) moderated to 142.6 in Q2FY26 from 149.4 in Q1, though it was higher than Q2 of FY25 (134.3). The BCI is based on four components — 'overall economic conditions to improve in next six months'; 'financial position of the firms will improve in next six months'; 'present investment climate', and 'whether present capacity utilisation was close to or above optimal level'.



GROWTH MOMENTUM

The BCI was driven down by the moderation of sentiments in three of the four components, except 'present capacity utilisation', which saw an improvement. Overall, the share of positive responses remained above 50 per cent in Q2 for all four components, signalling a slower growth momentum, stated the report. "The components dealing with macro sentiments were relatively more negatively affected, while the impact was mixed for sentiments at the micro level," said NCAER's Prof Bornali Bhandari, who led the survey. While the BCI for MSMEs (turnover of ₹100 crore or less) marginally went up from 137 in Q1FY26 to 138 in Q2, it went down from 171.6 in Q1 to 149.9 in Q2 for large firms (annual turnover of over ₹100 crore).

The share of firms expecting production to increase in the next six months went up from 79 per cent in Q1 to 82 per cent in Q2. The share of firms expecting exports to go up went up from 67 per cent in Q1 to 73 per cent in Q2.

The Economic Times, 27 October 2025

BEIJING CURBS NOW ON EXPORTS OF PROCESSING TECH

India's Rare Earth Mfg Plan may Hit China Wall

Sourcing costlier extraction equipment from Germany, Japan could impact viability of local projects

Sharmistha Mukherjee

New Delhi: India's Rs 7,300 crore scheme to incentivise the local production of rare earth minerals and magnets could face hurdles, because of China's latest curbs on exports of equipment needed to process the raw materials and manufacture the parts critical to high-tech industries.

Countries like Germany and Japan have some technology and equipment required for processing rare earth materials, but they are much costlier than those from China, the leader in rare earth materials and extraction equipment globally, senior industry executives told ET. According to the International Energy Agency, China accounts for 61% of global rare earth production and 92% of processing. Rare earth magnets are critical components for electric vehicles, consumer electronics, wind turbines and industrial machinery.

"China's commerce ministry has issued a notification extending export controls also to rare earth production and processing equipment, and rare earth raw and auxiliary materials," said a senior auto industry executive who did not wish to be identified. "This may impact the new scheme the Centre has announced to incentivise local manufacturing of rare earth magnets."

NEW HURDLE

China accounts for **61%** production, **92%** processing of rare earths

India has approved a scheme to offer cos fin support for setting up critical mineral's processing units, supply chains

Fresh curbs on processing equipment may hurt local production plan

Germany, Japan tech pricier alternatives to China

Indian firms could face higher costs, project delays

Business Line, 28 October 2025

MSMEs seek support of RBI, govt as geopolitical uncertainties rise

RAY OF HOPE. Officials give assurance that feedback and suggestions will be duly examined, says central bank

Our Bureau
Mumbai

The industry associations of the Micro, Small and Medium Enterprises (MSME) sector highlighted the business challenges being posed by the uncertainty arising from geopolitical situations, and sought the intervention of government, regulators and banks to wither the challenges.

SAC MEETING

The Reserve Bank of India (RBI) held the 30th meeting of its Standing Advisory Committee (SAC) to review the flow of credit to the MSME sector in Coimbatore, under the chairmanship of Swaminathan J, Deputy Governor (DG), RBI.

"During the interactive session, the industry associations highlighted the challenges being posed by the uncertainty arising from geopolitical situations and sought the intervention of government, regulators and banks. The meeting concluded with responses from the officials and an assurance that the feedback and suggestions will be duly examined by the stakeholders concerned," said the RBI.

BUILDING BLOCKS. The RBI urged MSMEs to play a greater role in capacity building

CREDIT ECOSYSTEM

To further strengthen the credit ecosystem for MSMEs, DG Swaminathan referred to initiatives such as the Unified Lending Interface (ULI), account aggregator framework and the regulatory sandbox, which are facilitating data-driven and cash-flow based lending.

He also spoke about the recent regulatory measures to ease the difficulties faced by the sector, including the waiver of prepayment charges on floating-rate loans extended to individuals and micro and small enterprises, and the relaxation in reporting under the Export and Import Data Processing and Monitoring Systems (EDPMS/IDPMS) to ease the compliance burden for small exporters and importers.

SEVERAL CHALLENGES

Challenges such as information asymmetry, financial literacy gaps and delayed payments still exist for MSMEs. The DG stressed on the need to promote wider adoption of digital solutions such as the Trade Receivables Discounting System (TReDS), encourage alternative credit assessment models, and ensure fair, transparent and empathetic lending practices to rehabilitate distressed but viable units. He also urged MSME associations to play a greater role in capacity building and in bridging information gaps to help enterprises better leverage formal financial channels.