AIFI

Association of Indian Forging Industry

Key Press Reports on Industry and Govt. Policies
(1st Fortnight December 2025)

Auto wholesales a bummer in Nov after a bumper October

SAVING GRACE. In terms of y-o-y sales, most OEMs saw growth in domestic dispatches

S Ronendra Singh
New Delhi

After record sales led by GST reduction and festival offers in October, automobile wholesales (dispatches to dealers) in the domestic market declined month-on-month (m-o-m) in November, the numbers shared by companies on Monday indicated.

For instance, the country's largest passenger vehicles (PV) maker Maruti Suzuki India (MSIL) reported a monthly decline of three per cent to 1,70,971 units in November, as compared with 1,76,318 units in October this year.

"During October, there were 31 days. November happens to be 30 days, so there is a difference of one day. But, production happens on a daily basis and if you see the growth which we are seeing in the retail, in November our retail growth is 31 per cent, whereas in October, our retail growth was around 20 per cent," Partho Banerjee, Senior Executive Officer, Marketing and Sales, MSIL, told *businessline*.

Banerjee also said that MSIL still has a lot of demand for its cars and the factories are open even on holidays.

"We are receiving very good traction — currently, we do not have any stock in the factory for eight models. The pending bookings are hovering at around 1.5 lakh units," he said.

WINS AND MISSES

Since the network stock is at just 20 days now, the company is confident that December should be a good month, Banerjee added.

On year-on-year (y-o-y) basis, MSIL reported a growth of 21 per cent in November domestic wholesales to 1,70,971 units, as compared with 1,41,312 units in November 2024.

The company added that its domestic dispatches are the highest-ever in any November during last 40 years.

Meanwhile, Tata Motors reported a decline of 6 per cent m-o-m in its domestic wholesales to 57,436 units in November, as compared with 61,134 units in October. However, on a year-on-year basis, the company reported a growth of 22 per cent from 47,063 units in November 2024.

Mahindra & Mahindra (M&M), which recorded wholesales of 71,624 units in October, has also declined by 21.3 per cent m-o-m as compared with 56,336 units in November.

But, on a yearly basis, it has also recorded growth of 22 per cent in November as compared with 46,222 units in November last year.

Similarly, Hyundai Motor India (HMIL), Toyota Kirloskar Motor, Kia India and Renault India reported growth in their sales on y-o-y basis.

TREND IN 2W

In the two-wheeler segment, a similar trend was seen on a m-o-m basis, but the OEMs reported double digit growth in their sales in November, on a y-o-y basis.

For instance, Hero MotoCorp reported a year-on-year growth of around 30 per cent in its November domestic wholesales to 5,70,520 units, as compared with 4,39,777 units in the same month last year.

Honda Motorcycle & Scooter India (HMSI) also reported 23 per cent y-o-y growth in its domestic wholesales to 5,33,645 units in November, as compared with 4,32,888 units in the corresponding month last year.

TVS Motor reported a y-o-y growth of 20 per cent in its domestic wholesales to 3,65,608 units in November, as compared with 3,05,323 units in November 2024.

Royal Enfield and Suzuki Motorcycle India, reported y-o-y growth of more than 20 per cent in their November sales, respectively.

IN SLOW LANE

However, domestic wholesales of Bajaj Auto declined by one per cent y-o-y to 2,02,510 units in November, as compared with 2,03,611 units in the same month last year.

Yearly sales clock growth

Company	Nov 2025	Nov 2024	% change
Passenger vehicles			
Maruti Suzuki India	1,70,971	1,41,312	21
Mahindra & Mahindra	56,336	46222	22
Hyundai Motor India	50,340	48246	4.3
Tata Motors	57,436	47063	22
Toyota Kirloskar Motor	30,085	25183	19.4
Kia India	25,489	20600	24
JSW MG Motor India	5,754	6019	-6
Renault India	3,662	2811	30.2

Company	Nov 2025	Nov 2024	% change
Two-wheelers			
Hero MotoCorp	5,70,520	4,39,777	29.7
Honda Motorcycle & Scooter India	5,33,645	4,32,888	23.2
TVS Motor	3,65,608	3,05,323	20
Bajaj Auto	2,02,510	2,03,611	-1
Royal Enfield	90,405	72,236	25
Suzuki Motorcycle India	96,360	78,333	23
Commercial vehicles			
Tata Motors	32,753	26,183	25
M&M	24,843	21,161	17.3
Volvo Eicher Commercial	6,720	4,957	35.6
Maruti Suzuki India (Super Carry)	3,622	2,926	23.7
Tractors			
M&M	42,273	31,746	33
Escorts Kubota	10,122	8,730	16

Source: Companies

Business Line, 2 December 2025

After 19.2% ethanol blended fuel in 2024-25, India eyes 20% by 2026

Rishi Ranjan Kala
New Delhi

Ethanol blending in petrol during the ethanol supply year 2024-25 (November-October) stood at 19.2 per cent.

In October 2025, it stood at 19.97 per cent, with more than 77 crore litres of the commodity in storage at the end of the month.

While PSU oil marketing companies (OMCs) received around 1,003 crore litres of ethanol during 2024-25, around 1,022 crore litres was consumed to achieve 19.2 per cent blending with petrol.

The National Policy on Biofuels, after being amended in 2022, advanced the target of 20 per cent blending of ethanol in petrol to 2025-26 from 2030.

OMCs achieved the target of 10 per cent ethanol blending in petrol in June 2022, five months ahead of the target. India achieved a blending of 12.06 per cent in 2022-23 and 14.60 per cent in 2023-24.

The price of ethanol produced from sugarcane juice/syrup was ₹65.61 per litre in 2024-25. The rate for ethanol produced from B heavy molasses (BHM) and C heavy molasses (CHM) was ₹60.73 per litre and ₹57.97 per litre, respectively.

While ethanol produced from damaged food grains was priced at ₹64 per litre in 2024-25, the prices of ethanol produced from maize was ₹71.86 per litre.

ETHANOL PRODUCTION

In order to ensure availability of feedstock for ethanol production to achieve the 20 per cent ethanol blending target by October 2026, the government approved the allocation of 52 lakh tonnes (lt) of surplus Food Corporation of India (FCI) rice, each for 2024-25 and 2025-26 (up to June 30, 2026) and diversion of 40 lt of sugar for ethanol production in ESY 2024-25.

For ESY 2024-25, the average procurement cost of ethanol stands at ₹71.55 per litre (inclusive of transportation and GST), which is higher than the cost of refined petrol.

In 2025-26, OMCs invited bids for the supply of 1,050 crore litres of ethanol. The government has increased the prices of FCI rice-based ethanol in the current supply year. The price of ethanol produced from surplus rice sourced from FCI has been fixed at ₹60.32 per litre for 2025–26, compared with ₹58.50 last year, an increase of around 3 per cent. The revision corresponds to the increase in the rate of surplus rice for ethanol from FCI.

According to the supply schedule, 100 crore litres are to be supplied in November 2025, and 200 crore litres in December 2025 and January 2026.

THREE QUARTERS

The remaining is divided into three quarters — February-April 2026 (280 crore litres), May-July 2026 (250 crore litres) and August-October 2026 (220 crore litres).

The country's annual ethanol distillation capacity is around 1,950 crore litres at present.

Business Standard, 6 December 2025

Lumax expects to more than double its revenue in 4-5 yrs

DEEPAK PATEL
New Delhi, 5 December

The Lumax group, which comprises auto component makers Lumax Industries Ltd (LIL) and Lumax Auto Technologies Ltd (LATL), is expecting to more than double its annual revenue to over ₹20,000 crore in the next four-five years amid high demand for its products in the domestic market, said Anmol Jain, managing director (MD) of LATL and joint MD of LIL.

Unlike many other auto component makers in India, the Lumax group is not focused on exports. LATL's exports are currently minuscule and LIL's are less than 2 per cent. "To me, a geographical expansion (for exports) as a strategy should be adopted when your current geographic market is not providing you enough opportunities... I think there is enough going in India, and the growth story here is still intact," he said during an interview with *Business Standard*.

LATL plans to open its new branch office in China in the last quarter of 2025-26 (FY26). It will act as a resource centre for LATL as well as LIL. Access to new technologies, optimised sourcing of components and tooling, industrial automation, and scouting for new partnerships would be the four main responsibilities of the China office.

"We have already done some level of cooperation with four Chinese companies, which we will announce to the stock market sooner or later. They are all tier-1 large auto component manufacturers. They would provide us with new technologies — mostly related to interiors of automobiles — which are currently unavailable or unheard of in India. We are also looking for new technologies that can be integrated with our existing product portfolio," he said.

"I UNDERSTAND THE WHOLE GEOPOLITICAL ASPECT WITH CHINA. SO, THERE IS A DEPENDENCE. I THINK IT WILL CONTINUE TO BE SO. BUT, WE SHOULD BE MINDFUL THAT WE ARE NOT OVERLY DEPENDENT ON IT"

Anmol Jain, MD of LATL and joint MD of LIL

With these four Chinese companies, the plan is to begin with "technical collaboration", after which LATL will evaluate how to deepen these partnerships, he said. Proofs of concept have already been created in a couple of cases, and initial discussions with automakers have taken place on potential use of the products emerging from these collaborations. However, the collaborations will formally proceed only after the China office becomes operational.

"We feel that China will add a lot of value to us. If you look at premiumisation or the safety features of Chinese vehicles, they are way more advanced," he stated.

Jain mentioned that the company currently imports a significant amount of electronics, with a large part coming from China and Southeast Asian countries. As relations between India and China have not been smooth during the last few years, LATL's imports have been impacted. However, it has been able to mitigate those risks by developing alternative supply chains or through deeper localisation of some of the components, he mentioned.

"I understand the whole geopolitical aspect with China. So, there is a dependence. I think it will continue to be so. But, we should be mindful that we are not overly dependent on it," he added.

Talking about the company's revenue growth expectations, Jain said: "The revenue of the Lumax group (LIL and LATL put together) this year should be upwards of \$1-1.2 billion, which is anywhere about ₹9,000 crore."

"In LATL, we would like to grow at a 20 per cent compound annual growth rate (CAGR). LATL will have a total revenue of about ₹4,500 crore in FY26, and if we continue to grow at 20 per cent — in organic as well as inorganic manner — this itself should take me to around ₹15,000-odd crore mark by 2030-31," Jain noted. LIL would also continue to grow with at least 15 per cent CAGR, based on the volume growth and rising content per vehicle. So, according to Jain, it should reach around ₹10,000 crore mark by 2030-31.

"So, I envisage the Lumax group to be between ₹20,000 crore and ₹25,000 crore annual revenue in the next five-six years, more than doubling the current size," he stated.

Jain mentioned that in India, whether it is four-wheeler makers or two-wheeler makers, they are currently focused on three main themes: lightweighting (making vehicles with lesser weight), premiumisation, and safety.

More on business-standard.com

Business Line, 9 December 2025

Auto dealers expect positive sales over next three months: FADA

KEY FACTORS. GST 2.0, enquiry pipeline, better rural economic indicators to aid growth

S Ronendra Singh
New Delhi

India's auto retail sales over the next three months remain firmly positive, supported by sustained momentum from GST 2.0 tax rationalisation, strong enquiry pipeline and improving rural economic indicators, as 74 per cent of auto dealers expect growth, underscoring broad-based confidence across segments, the Federation of Automobile Dealers Associations (FADA) said on Monday.

It added that expected price increases in January, new model launches for 2026 and marriage season demand are set to drive conversions, while crop realisation liquidity is expected to reinforce retail traction across the country. The government's 'One Nation, One Tax' and 'Viksit Bharat 2047' mobility vision continue to strengthen affordability and expand vehicle penetration in emerging markets, it said.

Racing ahead

All-India vehicle retail data for November 2025 (in units)

Category	Nov-24	Nov-25	% change
Passenger vehicles	3,29,253	3,94,152	19.71
Two-wheelers	26,27,617	25,46,180	-3.1
Three-wheelers	1,08,317	1,33,951	23.67
Commercial vehicles	79,152	94,935	20
Tractor	80,507	1,26,033	56.55
Total	**32,31,526**	**33,00,832**	**2.14**

Source: FADA

In terms of monthly retail sales, FADA shared that the passenger vehicle sales grew around 20 per cent year on year to 3,94,152 units in November compared with 3,29,253 units in November 2024. However, two-wheeler sales declined 3 per cent to 25,46,184 units (26,27,617).

FESTIVAL BUYING

"Two-wheelers, while reporting a modest 3.1 per cent decline, must be viewed in context. A significant retail shift occurred due to festival buying in October, combined with delayed crop payments and uneven supply of preferred models. Encouragingly, dealers continue to report strong walk-ins linked to GST sentiment and healthy marriage season demand," CS Vigneshwar, President, FADA, said while sharing the monthly data. November defied the conventional post-festival slowdown, delivering a resilient performance despite an unusually high comparative base, he said.

"Traditionally, auto retail eases in the month following the festival cycle; however, this year, most festival registrations were completed in October itself, unlike November 2024, when Deepavali and Dhanteras fell towards the end of October 2024, and vehicle registrations happened in November 2024 which lifted volumes significantly," he explained.

Three-wheeler sales grew around 24 per cent to 1,33,951 units in November (1,08,317). Similarly, commercial vehicle sales grew 20 per cent to 94,935 units (79,152). The grand total sales of all vehicle categories grew 2.14 per cent to 33,00,832 units (32,31,52).

"GST rate cuts coupled with original equipment manufacturer and dealer retail offers continued pulling customers to showrooms, enabling sustained footfalls beyond the festival period. Price reductions across categories, which ignited strong buying in October, continued to support conversions in November as well," Vigneshwar added.

Business Line, 9 December 2025

Daimler India reinforces commitment to intercity mobility by launching 19.5 tonne BharatBenz bus

Our Bureau
Chennai

Daimler India Commercial Vehicles (DICV), a wholly-owned subsidiary of Daimler Truck AG, on Monday launched the BB1924, the upgraded heavy-duty bus designed specifically for India's rapidly-expanding intercity passenger transport segment.

With a gross vehicle weight (GVW) of 19,500 kg (19.5T), the BB1924 addresses the critical needs of intercity bus operators who are seeking higher payload capacity, lower operating costs and enhanced passenger comfort to capitalise on the country's growing travel demand. With the country's bus market valued at $51 billion and expanding at 6 per cent CAGR through 2030, the new chassis positions BharatBenz to capture a larger share of the premium intercity segment.

Commenting on the launch, Andamuthu Ponnusamy, Head of Bus Business, DICV, said field trials with leading operators across routes such as Mumbai-Pune, Delhi-Jaipur and Chennai-Bengaluru had demonstrated significant reduction in the total cost of ownership compared to existing solutions.

HIGHER REVENUE

Earlier, the capacity was 18.5T, and now it has increased to 19.5T. This allows them to accommodate more parcel luggage. With an additional one tonne of parcel load, they can earn more — both from parcel shipments and passenger seating — leading to higher overall revenue, said a company official.

The BB1924 will be available across BharatBenz's extensive network of 398 authorised touchpoints across India, ensuring convenient access and pan-India delivery support.

To make acquisition seamless, BharatBenz has partnered with 15+ leading banks and NBFCs, offering financing with interest rates starting at 8.5 per cent per annum and EMI tenures up to five years, said the release.

Built on BharatBenz's 92 per cent localised supply chain, the chassis delivers superior cost competitiveness and parts availability, said the release.

The price of the vehicle was not disclosed.

The Economic Times, 9 December 2025

China Carmakers Miss End-of-Year Rush with Rare Drop in Sales

Retail car sales fell 8% in Nov to 2.1 million units, driven by a 22% drop in sales of gasoline models

Bloomberg

Car sales in China fell for a second month — a rare decline in what's usually the busiest time of the year — as automakers' discounts failed to make up for the end of a trade-in subsidy that had underpinned the market.

Retail vehicle sales fell about 8% to 2.1 million units in November, according to data published by the China Passenger Car Association on Monday. That's mainly due to a 22% slump in sales of gasoline cars, with new-energy vehicle sales rising 4.2% for the month.

"This is a relatively rare situation," said Cui Dongshu, the association's secretary general. "Usually the trend at the end of the year is that the car market should get stronger and stronger from October. But the retail sales in November compared to previous years is unusual."

Demand for gasoline cars has been hurt by the scaling back or suspension of trade-in subsidies, which gave consumers up to 20,000 yuan ($2,800) to scrap an older car for a new fuel efficient vehicle, in many locations.

Meanwhile in the EV market, more than a dozen carmakers, including Xiaomi Corp. and Geely Automobile Holdings Ltd. offered to make up for the looming loss of up to 15,000 yuan in tax breaks if consumers placed their orders by November. While that's given a small boost to sales, attention is turning to the difficulties in sustaining momentum into the new year as the rolling back of government support hurts demand.

Figures released earlier this month showed BYD Co.'s sales dropped for a third month as the popular EV brand faces growing competition from the likes of Geely and Xiaomi.

Business Line, 10 December 2025

Brakes India buys 10% stake in Japan's TBK through primary capital infusion

Our Bureau
Chennai

Brakes India, the Chennai-based supplier of braking systems and ferrous castings, catering to passenger, commercial vehicles and tractors, and Japan's TBK Co have signed a capital and business alliance agreement.

With this, Brakes India, a TSF Group Company, acquires 10 per cent shareholding in TBK through a primary capital infusion, says a statement.

This paves the way to leverage the strength of both the companies for commercial vehicle braking and create enhanced value for customers, says a release.

This opportunity introduces Brakes India's existing hydraulic and pneumatic products into new export markets. It also opens avenues to extend the complementary product portfolio of TBK in the Indian domestic market.

EXPLORING AVENUES. Kaoru Ogata, President & CEO - TBK, with Sriram Viji, MD of Brakes India

NEW OPPORTUNITIES

"Both companies will jointly create high value-added products and solutions for respective markets," said Kaoru Ogata, President and CEO, TBK.

"Brakes India has access to TBK's line-up of products for the Indian market and will offer Brakes India's products to new customers outside of India," said Sriram Viji, Managing Director, Brakes India.

Business Line, 12 December 2025

PVs, two- and three-wheelers see highest-ever sales in Nov

ON THE FAST LANE. Festival demand, govt's GST 2.0 reforms key drivers: SIAM

S Ronendra Singh
New Delhi

Domestic passenger vehicle (PV) dispatches from original equipment manufacturers (OEMs) to dealers grew 19 per cent year-on-year (y-o-y) in November, reaching 4,12,405 units compared to 3,47,522 units in the corresponding month last year.

According to monthly sales data issued by the Society of Indian Automobile Manufacturers (SIAM), domestic total two-wheeler dispatches also grew by more than 21 per cent y-o-y to 19,44,475 units during the month against 16,04,749 units in November 2024.

Motorcycle dispatches grew 17.5 per cent y-o-y to 11,63,751 units in November, compared to 9,90,246 units in the same month last year. Similarly, scooter sales to dealers grew 29.4 per cent y-o-y to 7,35,753 units last month, compared to 5,68,580 units in November 2024. In the three-wheeler segment, total domestic sales grew 21.3 per cent y-o-y to 71,999 units in November, compared to 59,350 units in the corresponding month last year.

"Following the festival demand and support from the government's progressive GST 2.0 reforms, the Indian auto industry continued with the sales momentum in November 2025. Passenger vehicles, two-wheelers and three-wheelers marked the highest-ever sales in November in 2025," said Rajesh Menon, Director General, SIAM.

Vehicle dispatches to dealers

Segment/ sub-segment	Nov-25	Nov-24	% Change
Total passenger vehicles	4,12,405	3,47,522	18.7
Total three-wheelers	71,999	59,350	21.3
Scooter	7,35,753	5,68,580	29.4
Motorcycle	11,63,751	9,90,246	17.5
Total two-wheelers	19,44,475	16,04,749	21.2
Grand total of all categories	**24,28,879**	**20,11,621**	**20.7**

Source: SIAM

TOTAL SALES

The grand total of sales across segments grew around 21 per cent to 24,28,879 units in November this year, compared to 20,11,621 units in the same month last year. "The industry is optimistic that the continued supportive policy reforms and improved market sentiments will continue this growth trajectory well into 2026," Menon added.

EXPORTS RISE

In terms of exports, total PV exports grew 40 per cent y-o-y to 84,646 units during the month, compared to 60,553 units in November last year. Total two-wheeler exports also grew 30 per cent y-o-y to 4,71,012 units in November, compared to 3,62,157 units in the corresponding month last year. Export of three-wheelers grew 96.3 per cent y-o-y to 46,013 units against 23,439 units in November 2024.

The grand total exports of all categories of vehicles grew 35 per cent y-o-y to 6,02,355 in November against 4,46,869 units in the same month last year.

The Economic Times, 15 December 2025

European car cos hit as China's realty slump leaves many with no appetite for high-end cars

China's Luxury Car Sales Skid as Customers Opt for Local Affordable Brands

AP

Hong Kong: Chinese demand for foreign luxury cars is waning as customers opt for more affordable Chinese brand models, often sold at big discounts, catering to their taste for fancy electronics and comfort.

That is bad news for European carmakers like Porsche, Aston Martin, Mercedes-Benz and BMW that have long dominated the upper reaches of the world's largest auto market.

A prolonged property downturn in China has left many consumers with little appetite for big purchases. Meanwhile, the well-to-do are becoming increasingly shy about publicly displaying their wealth, said Paul Gong, UBS head of China Automotive Industry Research.

Many car buyers have been swayed by a 20,000 yuan ($2,830) trade-in subsidy offered by the Chinese government for purchasing electric and plug-in hybrid vehicles. People tended to purchase cheaper, entry-level cars where the discount will count more and those cars are mostly Chinese made, Gong said.

"Slowing economic growth is one key driver behind weaker demand for premium cars," said Claire Yuan, director of corporate ratings for China autos at S&P Global Ratings, referring to a segment that typically counts car brands such as Mercedes-Benz and BMW. The market share of premium car sales in China, usually priced above 300,000 yuan ($42,400), more than doubled between 2017 and 2023 to about 15% of total sales, S&P said.

That trend is now reversing. The share of premium cars sales fell to 14% in 2024 and to 13% in the first nine months of 2025, S&P said. While luxury auto sales have slowed, Chinese manufacturers, including electric vehicle maker BYD, have become more aggressive than many Western brands in technological innovation, frequently rolling out new electric vehicles and hybrids at cheaper prices, including premium vehicles, analysts said.

"Their (Chinese carmakers') products are more competitive and more affordable even in the premium segment," Yuan said.

PREMIUM CAR SHARE

Market share of premium car sales in China, priced above $42,400, more than doubled between 2017 and 2023, S&P said

"That's why these foreign brands are gradually losing momentum." The Chinese brands' share of passenger car sales climbed to almost 70% in the first 11 months of this year, according to China Association of Automobile Manufacturers. It reported that German brands held a 12% share, Japanese brands around 10% and US brands nearly 6%.

BYD already has overtaken Volkswagen as the biggest car seller in China in recent years. BYD is so far the best selling car brand this year in China for "new energy vehicles," which include electric vehicles and hybrids, according to the China Passenger Car Association. BYD had cut prices of its electric and plug-in hybrid models by up to 34%, putting pressure on major rivals like Geely and Leapmotor.

Mercedes-Benz's sales by units in China fell 27% from a year earlier in the July-September quarter, according to its latest earning report. The number of BMWs and its subsidiary-brand Minis sold in China dropped 11.2% year-on-year in the first nine months of 2025. Porsche and Aston Martin also cited pressure from weaker demand in China.

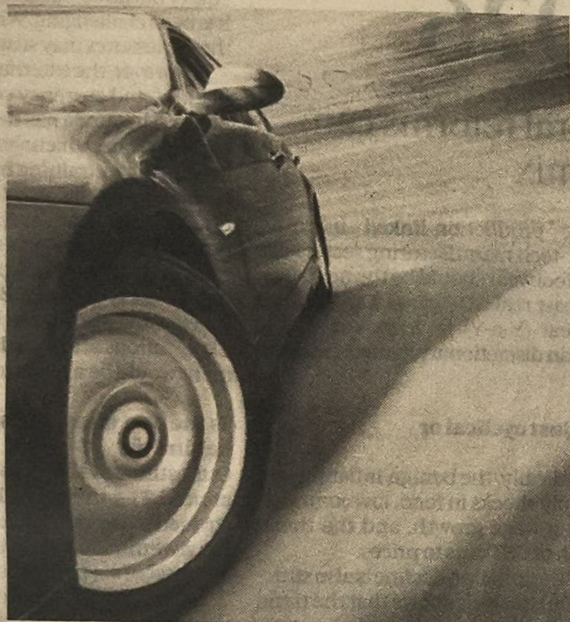
Italian luxury carmaker Ferrari reported a 13% year-on-year drop in car shipments to mainland China, Hong Kong and Taiwan in January-September. It was the only region where sales declined during that time.

Business Standard, 15 December 2025

Auto parts suppliers spin out on foreign roads

Trade barriers, soft overseas markets leave little room to manoeuvre

RAM PRASAD SAHU
Mumbai, 14 December



Stocks of automotive (auto) component makers that draw a majority of their revenue from key overseas markets are likely to face pressure amid demand weakness, tariff uncertainty, margin stress, and stretched valuations.

Bharat Forge, Samvardhana Motherson International (Samil), Sona BLW Precision Forgings (Sona Comstar), and Balkrishna Industries are expected to bear the brunt, as at least 55 per cent of their revenue comes from global markets.

Their average return over the past six months and one year stands at 4.5 per cent and minus 6 per cent, respectively, compared with gains of 19 per cent and 17 per cent for the Nifty Auto index over the same periods.

Most global passenger vehicle (PV) manufacturers expect revenue and volume growth in calendar year (CY) 2025 to be flat or lower than in CY 2024. The outlook for heavy trucks, particularly in North America, is more downbeat.

During the July-September quarter, retail sales of North American Class 8 trucks fell 20 per cent year-on-year (Y-o-Y). In contrast, sales of heavy commercial vehicles (CVs) in Europe rose 5 per cent Y-o-Y.

Leading truck makers such as Volvo, Daimler, and Paccar expect CY 2025 to end weakly, with projected declines of up to 19 per cent in North America and 14 per cent in the European Union (EU). CY 2026 is expected to deliver mixed results: about a 6 per cent contraction in North America, offset by 2 per cent growth in the EU.

Nuvama Institutional Equities says the EU truck market remains replacement-led, with defence spending likely to lift demand from CY 2026 onwards. By contrast, the North American long-haul freight downturn continues, driven by lower volumes and customer caution around US Environmental Protection Agency CY 2027 norms.

Several brokerages expect weakness in the North American auto segments. Light-vehicle demand is likely to soften due to tariff-driven price inflation, high borrowing costs, and a reset in electric vehicle demand.

On the CV side, Class 8 trucks remain in a down-cycle, weighed down by weak freight activity, elevated inventories, and a thin order book for CY 2026, says Kotak Securities. Demand for off-highway equipment is likely to stay subdued as contractors absorb excess fleet capacity, while farm machinery faces pressure amid poor sentiment and tight credit conditions.

Elara Securities echoes the cautious tone, pointing to guarded demand commentary from global automakers, persistent tariff risks, and a worsening supply-chain environment.

Given this backdrop, most brokerages remain negative on companies with large overseas exposure. Kotak has maintained a 'sell' rating on Bharat Forge and Samil, and a 'reduce' rating on Sona Comstar.

Elara, too, remains cautious on Samil, Sona Comstar, and Bharat Forge. Slowing global PV growth, shrinking profit pools for automakers in China, market-share pressure on legacy players in the EU, and a deceleration in US growth weigh on Samil. For Sona Comstar, concerns around Tesla's growth persist. For Bharat Forge, muted global CV demand continues to be a drag, especially after Volvo lowered its North American Class 8 growth outlook for CY 2025.

Nuvama, however, takes a more constructive view on CY 2026, arguing that prospects across global auto segments have improved.

Global growth hits a hairpin: Torque slips as tariffs bite

Sector brakes squeal as overseas twists test near-term earnings

Sector drivers	Current price (₹/share)	One-year return (%)	2025-26E PAT (₹ crore)	Y-o-Y change in PAT (%)	2025-26E P/E (x)	2026-27E P/E (x)
Sona BLW Precision Forgings	492	-22.5	672	8.3	45.4	37.3
Samvardhana Motherson	121	10.3	3,960	4.1	32.0	24.9
Bharat Forge	1,426	5.4	1,386	-6.1	53.3	40.3
Balkrishna Industries	2,348	-16.4	1,529	-7.6	29.8	23.7

E: Estimates; PAT: Profit after tax; P/E (x): Price-to-earnings (ratio)
Source: Bloomberg

ELECTRIC VEHICLES

Business Line, 2 December 2025

e4-wheeler registrations fall in November

T E Raja Simhan
Chennai

Registrations of four-wheeler electric vehicles (EVs) declined in November after a robust festival season spike in October.

Registrations declined by 23 per cent month-on-month (m-o-m) in November, as per Vahan data collated at 10 am on December 1. The total number of EV registrations in November stood at 14,327 units, as against 18,559 units in October, and 9,166 units in November 2024.

Tata Motors (manufacturers of Nexon, Punch and Tiago models) continues to be the top OEM with a 41 per cent market share, up from 40 per cent in October. The two other major OEMs — JSW MG (Windsor and Comet) and Mahindra Electric (XUV400 EV, XUV 9e, and BE 6) — saw a marginal decline in their market share.

Vietnam's Vinfast, a recent entrant in the Indian EV market, saw registration for Vinfast Auto (VF 7 and VF 6) more than double to 287 units in November (135). Kia (EV6 and EV9 models), BYD India (Atto3, eMax7, Seal and Sealion 7), and BMW (iX, i4, iX3, i3 and i3s) saw a decline in registrations, per Vahan.

Anuj Sethi, Senior Director, Crisil Ratings, said the increase in EV sales in October (over September) was driven by festival demand. However, post the festive season, sales slowed due to continued discounts on ICE PVs and a shortage of rare-earth magnets, which affected EV PV production.

"The reduction in tax rates along with additional discounts by OEMs to boost ICE PV sales, has widened the price gap between entry-level EVs and ICE PVs from 26 to 40 per cent, favouring ICE PV sales," he said.

Business Standard, 1 December 2025

E2W sales stumble in November; Hero knocks Ola Electric out of top 4

SURAJEET DAS GUPTA
New Delhi, 30 November

After record festival season sales in October, electric two-wheeler registrations skid 21 per cent to 110,761 units in November, even as a new phase of competition begins with global brands entering the market. They face stiff resistance from domestic players, who themselves are seeing rapid churn in their rankings. November registrations were also lower than the 116,437 vehicles registered in the same month last year.

Once the market leader, Ola Electric saw registrations fall below the 10,000-a-month mark, down to 8,254 units, almost half of what it posted in October, according to Vahan data. As a result, its market share also slipped below double digits to just 7.4 per cent.

In November, Hero Motocorp has pushed Ola down to the fifth place in the market-share rankings. Despite a slow start, Hero has overtaken Ola to take the fourth position behind only TVS Motor Company, Bajaj Auto, and Ather Energy, in which it holds a roughly 30 per cent stake.

Hero's cautious electric vehicle (EV) strategy — building its Vida brand while backing Ather — appears to be paying off. Based on Vahan data, Hero registered 11,795 Vida electric scooters (e-scooters) in November, giving it a market share of 10.6 per cent. Together, Ather and Hero registered 31,814 units, and command nearly 29 per cent of the market — ahead of Bajaj (25,086) and just shy of TVS (29,756), which remains the leader.

Global players continue to struggle.

Honda Motorcycle & Scooter India, the first Japanese brand to enter the EV space, has had a patchy launch despite expectations that it would disrupt the segment as it once did with the Activa. Since launching its EVs in February, Honda has registered just 3,177 scooters, peaking at 411 units in June. In November, only 379 units were registered.

Yamaha, which has also announced its EV entry, is taking a different approach — investing around $40 million in River Mobility as part of its Series B round in 2024. The two are co-developing an e-scooter for India and overseas markets, with production scheduled at River Mobility's plant.

Bengaluru-based River Mobility has already sold 13,125 scooters since January. After building its presence in the South, it has recently entered North India with a Delhi outlet and aims to reach 80 retail stores by the end of the financial year.

Suzuki is preparing to launch its e-Access scooter, offering a 95-kilometre range and a 51.2-volt battery. Production began in May, but a launch date is yet to be announced.

Power wheels

Registration of electric 2W as on November 30

Company	Nov registrations	% share
TVS Motor Company	29,756	26.86
Bajaj Auto	25,086	22.64
Ather Energy	20,019	18.07
Hero MotoCorp	11,795	10.64
Ola Electric	8,254	7.45
Greaves	5,692	5.1
Honda Motorcycle & Scooter	379	0.34

Source: Vahan

The Economic Times, 2 December 2025

Tesla's Yet to Have an Electric Start in India

FUTURE ROAD MAP BMW & Merc lead the luxury EV race, while US co grapples with structural issues

Sharmistha Mukherjee & Shally Seth Mohile

New Delhi | Mumbai: Tesla's long-awaited entry into India's luxury EV market is off to a quiet start, with the American carmaker delivering fewer than 50 vehicles in November—far behind the luxury marques such BMW and Mercedes.

BMW's iX1 has quickly become one of the country's best-selling electric luxury models. Industry estimates show BMW India sold around 2,500 EVs between January and October 2025, with the iX1 alone contributing roughly 1,500 units. While BMW dominates the accessible end of the luxury EV market, Mercedes-Benz is building momentum at the top-tier, even as Tesla works to scale up after starting deliveries in September.

India's broader electric-car market is also accelerating, growing 57% to over 150,000 units in the first 11 months of 2025 as better charging coverage and more models encourage buyers to shift to battery-powered vehicles, according to government's Vahan data.

Much of this volume comes from mass-market players such as Tata Motors and JSW MG Motor India whose pricing and product pipelines are normalising EV adoption. Combined with state incentives and lower running costs, these factors are helping EVs move into the mainstream, creating a stronger base for premium brands to expand.

Hardeep Singh Brar, president and CEO of BMW Group India, said EVs now account for nearly one-fifth of the company's total sales. "We are seeing very good adoption of electric cars among our customers. There is no range anxiety among customers in the luxury segment, because the range is much higher than vehicles in the mass market. For a model like iX1, we are seeing nearly 60% of our sales coming in from the electric version. In the i7 too, the ratio between electric and internal combustion engine versions is 50:50."

He added that EVs make strong economic sense for urban commutes. "For customers looking at a vehicle for daily commute within cities, electric vehicles make a lot of sense given lower running costs. We are seeing a lot of interest among our buyers and expect 30% of our sales to come in from BEVs in the next two years."

Tesla is still shaping its presence. Executives at Tesla India said the initial response to the Model Y has been encouraging, and the company is building an ecosystem to support higher volumes. "The future roadmap will be to have a charging infrastructure to cover all major cities. We always build our infrastructure around the lifestyle of our customers, where they eat, where they work, where they go for staycations," said Sharad Agarwal, general manager at Tesla India.

Business Line, 1 December 2025

TVS Motor overtakes Bajaj Auto in EV2W registrations in Nov

Mixed trend

Company	Nov-25	Market share (%)	Oct-25	Market share (%)
TVS Motor Company	29,751	26.12	29,656	20.59
Bajaj Auto	25,074	22.02	31,387	21.80
Ather Energy	20,018	17.58	28,405	19.73
Hero Motocorp	11,795	10.36	16,001	11.11
Ola Electric Technologies	8,254	7.25	16,049	11.14
Greaves Electric Mobility	5,692	5.00	7,632	5.30

Source: Data from Vahan portal as at 4.30 pm on November 30

T E Raja Simhan
Chennai

TVS Motor Company, the Chennai-based two-wheeler auto major, has overtaken its main competitor Bajaj Auto in two-wheeler electric vehicle (EV2W) registrations (pure EV and battery-operated vehicle) in November. TVS (iQube) also substantially increased its market share in November while Ola Electric saw a steep fall, according to Vahan data as of 4.30 pm on Sunday.

TVS recorded 29,751 registrations in November with a market share of 26.12 per cent against 29,656 in October with 20.59 per cent.

TVS was ahead of Bajaj (Chetak) with a difference of 4,677 units in the month.

Interestingly, in November 2025, among the top five companies, TVS was the only one to show a positive month-on-month growth.

Ola's volume in November dropped by nearly half to 8,254 units against 16,049 in October. Its market share in November declined to 7.25 per cent against 11.14 per cent in October.

Overall, EV two-wheeler registrations declined 21 per cent m-o-m in November as demand slowed after October's robust festival season sales. However, the demand is likely to pick up in December, industry sources said.

From January 1, 2025, to November 30, the total number of EV2W registrations stood at 2,76,859 against 1,97,053, an increase of 41 per cent y-o-y, data show.

Anuj Sethi, Senior Director, Crisil Ratings, speaking on the November 2WEV data, said effective September 22, GST reforms saw rates revised on internal combustion engines (ICE), including petrol two-wheelers under 350cc from 28 per cent to 18 per cent. The rate on EV two-wheelers (E2Ws) continued to attract 5 per cent GST.

PRICE GAP

This increased the price gap between the two, making EV2Ws relatively less cost-attractive, though the costing over lifetime still works in favour of E2Ws. However, due to the festival season, in the month of October 2025, EV2W sales grew by 37 per cent over September 2025, as per Vahan portal data.

However, short-term volatility in demand was witnessed in November 2025, when EV2W sales fell 20-22 per cent over October 2025, which was also a month of high base.

Besides, some original equipment manufacturers had to reduce production of EV2Ws in November 2025 due to a shortage of rare earth magnets, which ultimately impacted sale.

This may continue in the next 1-2 months until supply chain disturbances are addressed, said Sethi.

Business Standard, 4 December 2025

India's e2W market zooms past 1.18 mn registrations in 11 mths

SOHINI DAS
Mumbai, 3 December

India's electric two-wheeler (e2W) market continued its steady expansion in 2025, with cumulative registrations crossing 1.18 million units between January and November, up from 1.07 million units during the same period last year.

In November, there was a three per cent year-on-year (Y-o-Y) decline in registrations after October's festival rush. On a month-on-month (M-o-M) basis, the fall was sharper at 17 per cent.

Cumulatively, the first 11 months have seen a 10 per cent growth in volumes, and analysts expect the calendar year to end with around 8-10 per cent growth.

Anurag Singh, advisor at Primus Partners, pointed out that production constraints related to rare earth magnet shortage have affected the industry for a few months. And, it continues to dent production numbers.

"Moreover, as larger players like Ola have not done adequate volumes in the recent months owing to multiple factors, that has dragged down the overall industry volumes," he said

According to him, although there are early adopters of electric vehicles (EVs), there is still a larger preference for internal combustion engine (ICE) vehicles.

Data from the Vahan portal, as of December 1, shows clear dominance by legacy original equipment manufacturers (OEMs) during the 11-month period, even as newer players saw sharp shifts in momentum.

Final Vahan data is being collated, and the numbers may slightly change.

TVS Motor emerged the market leader for January-November, registering 272,874 e2Ws, the highest among all manufacturers.

The company also topped monthly sales in November. Bajaj Auto retained the second position, cumulatively, with 250,366 units registered in the first 11 months of the year. It has reinforced the growing strength of its Chetak-led electric portfolio.

Among newer-age EV specialists, Ola Electric held on to third place on a cumulative basis, with 190,088 registrations between January and November, although the gap with competitors narrowed significantly. Ather Energy followed closely with 183,163 units, leaving a difference of less than 7,000 vehicles between the two by the end of November.

November data highlighted a notable reshuffling in monthly rankings. Total industry registrations stood at 116,849 units, the second-highest monthly volume recorded this year.

Vrooming ahead

2025	Units*	% change (Y-o-Y)
Jan	98,425	20
Feb	76,717	-7
Mar	131,452	-6
Apr	92,531	41
May	101,058	31
Jun	106,053	33
Jul	103,600	-4
Aug	105,106	18
Sep	104,955	16
Oct	144,625	3
Nov	116,849	-3
Total	1,181,371	10

Source: Vahan portal as on Dec 1
*No. of registrations

TVS led the month with 30,309 units, translating to around 26 per cent market share. Bajaj followed with 25,526 units, while Ather Energy ranked third with 20,323 registrations.

In a significant development, Hero MotoCorp's Vida brand surged to fourth place in November, registering 12,199 units and overtaking Ola Electric for the first time in monthly sales.

Ola Electric registered 8,400 units in November, marking a 71 per cent Y-o-Y decline from 29,322 units sold in November 2024.

Despite the weak November showing, Ola continues to stay marginally ahead of Ather on a cumulative basis for the January - November period. However, the narrowing gap signals intensifying competition among the top four players. Overall, the January-November data underscores a clear trend: legacy two-wheeler manufacturers TVS and Bajaj are now firmly leading India's electric two-wheeler market.

Newer EV-focused OEMs are battling slowing demand, sharper competition and shifting consumer preferences as the segment matures.

Business Line, 4 December 2025

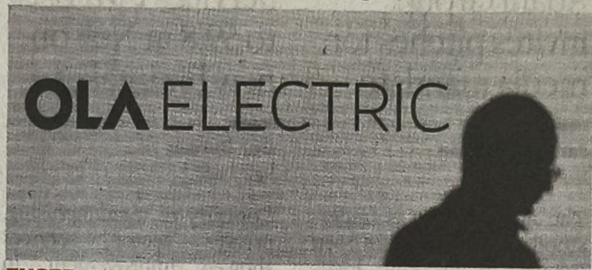
Ola Electric's sales drop; market share of TVS, Bajaj Auto, Ather sees growth

Our Bureau
New Delhi

Ola Electric's two-wheeler sales have drastically gone down over the last one year, while those of TVS Motor, Bajaj Auto and Ather Energy have grown. Year to date (YTD) this fiscal, TVS is in the lead with 1,99,689 units, followed by Bajaj Auto (1,72,554 units) and Ather (1,42,749 units).

Ola's sales numbers declined to 1,33,521 units as against 2,73,725 units in the same period in FY25.

This has led to the fall in the company's market share to 15.3 per cent during the YTD period this year (35.5 per cent), according to a report from brokerage firm Choice Equity.



FUSED. The electric two-wheeler segment posted a 2.6% decline in November 2025, stated a report REUTERS

SECTOR PERFORMANCE

Overall, the industry registered a growth of 13.5 per cent year on year to 8,74,786 units (7,70,236 units), stated the report.

The report added that though some of the individual original equipment manufacturers like TVS Motor Company, Hero MotoCorp and Ather reported significant growth in their sales in November, as compared with the same month last year, the overall industry declined 2.6 per cent in sales. "The electric two-wheeler segment posted a 2.6 per cent decline in November 2025. Hero MotoCorp delivered a strong 62.5 per cent jump, while Ather Energy maintained a robust 56.9 per cent growth supported by multiple launches across price-points," it said.

TVS Motor sales grew 11 per cent as rare-earth supply normalised, whereas Bajaj Auto recorded a 3.3 per cent decline, it said. "EV production normalised after earlier disruptions from rare-earth magnet shortages," it added.

Business Line, 5 December 2025

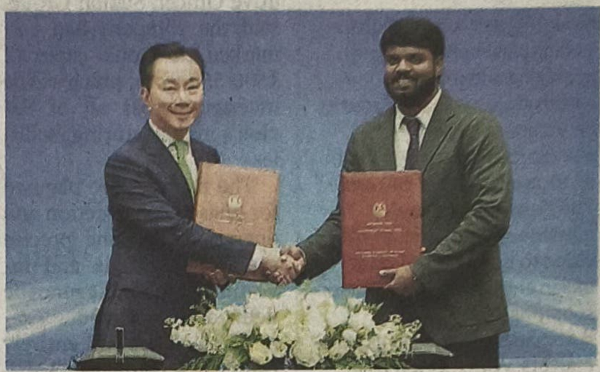
VinFast to pump $500 m more in TN plant to expand EV line-up

Our Bureau
Chennai

As part of the second phase of its $2 billion investment commitment, Vietnamese auto-maker VinFast is set to invest $500 million in Thoothukudi to develop dedicated workshops and production lines for electric buses and e-scooters, covering manufacturing, assembly, testing and related operations, the company said.

VinFast will get an additional 500 acres adjacent to its Thoothukudi plant to expand the product portfolio from electric cars to e-buses and e-scooters, as also to develop charging infrastructure.

The company signed a memorandum of understanding (MoU) in Hanoi on Thursday with the Tamil Nadu government, whereby it will be allocated the land in the SIPCOT Industrial Park in Thoothukudi to support the development of the company's existing facility.



GREEN DRIVE. Pham Sanh Chau (left), Vingroup Asia CEO, and Prabakaran Andi Saravanan, Associate Vice-President, Guidance Tamil Nadu, after signing the MoU in Hanoi

INFRA SUPPORT

Besides land, the Tamil Nadu government will provide support in securing required permits and with essential infrastructure, such as electricity, water, access roads, drainage and waste management.

For VinFast's proposed $500 million investment, the State government will offer all applicable incentives, financial support measures and statutory exemptions in accordance with the State's regulations and policies.

The existing 400-acre Thoothukudi facility has an initial annual capacity to produce 50,000 electric vehicles and is being expanded to 1.5 lakh units.

Pham Sanh Chau, Vingroup Asia CEO and VinFast Asia CEO, said: "The proposed expansion of the Tamil Nadu plant will enable us to broaden our product line up in India from electric cars to electric buses and e-scooters, allowing us to meet a wider range of customer needs. We also expect this initiative to create new job opportunities, advance localisation and strengthen the skills of the local workforce."

GREEN MOBILITY PUSH

Tamil Nadu Industries Minister TRB Rajaa said, "We welcome VinFast's next phase of planned development in Tamil Nadu and the production of e-bus and e-scooters will generate additional momentum for the green transportation strategy of both Tamil Nadu and India."

Business Standard, 9 December 2025

GST 2.0 tilts scales towards ICE; EV penetration softens

SOHINI DAS
Mumbai, 8 December

The goods and services tax (GST) reforms clearly tilted the scales in favour of internal combustion engine (ICE) cars whose sales shot up by 20 per cent year-on-year in November, even as the electric vehicle penetration moderated across segments, according to data from Equirus Securities and the Federation of Automobile Dealers Associations (Fada).

While GST on ICE vehicles was brought down significantly, for electric cars it remained at 5 per cent. Passenger vehicle (PV) retail volumes jumped nearly 20 per cent on-year in November, supported by improved affordability, better model availability and spillover demand from the festival season, which had been partly constrained earlier due to supply issues, Equirus said in its latest fuel-wise monthly retail tracker.

On the other hand, electric car penetration came in at 3.7 per cent in November, well below the pre-GST rate-cut level of around 5 per cent, underlining a demand shift back towards ICE vehicles.

This trend is especially visible in the luxury car segment.

While luxury battery electric vehicle (BEV) penetration is higher in 2025 compared to 2024, Mercedes Benz India said that overall industry BEV has declined sharply from 16 per cent to 12 per cent in the September-November period following GST 2.0.

The decline has sustained through these three months, establishing a clear trend that the tax cuts have pushed buyers back to ICE portfolios.

Battle of engines

- CNG penetration stood at 21% in Nov'25, easing slightly from 23% in Oct'25
- Mild hybrids penetration rose to 6% in Nov'25 from 5% in October
- Electric car sales rose 63% YoY in Nov'25 to 14700 units
- EV penetration at 3.7%; penetration remains below the pre-GST-cut level of 5%

Santosh Iyer, managing director and chief executive officer of Mercedes-Benz India, said the brand has seen a structural shift in customer choice since the GST changes.

"Even as the overall BEV penetration for the luxury industry dropped, Mercedes-Benz has seen a constant shift towards ICE vehicles post the GST 2.0 announcements. Demand for entry-level GLA for instance, now available below ₹50 lakh for the first time, has significantly risen by more than 50 per cent in the September-November 2025 period compared to pre-GST 2.0," Iyer said.

GLA's average monthly sales during September-November 2025 grew by 50 per cent compared to the January-August period, with September and October recording the highest monthly volumes for the model this year.

Iyer added that a lower total cost of ownership and higher resale value compared with entry luxury BEVs are drawing customers to ICE models, a trend further accentuated by the recent price corrections. The broader PV market echoed this sentiment.

CNG penetration eased to 21 per cent in November from 23 per cent in October, while mild hybrids gained share, rising to 6 per cent from 5 per cent over the same period. Electric car sales still rose 63 per cent year-on-year to about 14,700 units, but failed to regain lost penetration as ICE demand accelerated faster.

Electric PV penetration stood at 3.7 per cent remaining below the pre-GST rate-cut level of 5 per cent as demand continues to shift toward ICE vehicles, Equirus noted. Among leading OEMs, Tata Motors' market share declined to 41 per cent in November 2025 from 49 per cent a year earlier amid rising competition from JSW MG Motors and M&M, though the launch of Harrier EV has helped lift its market share from 35 per cent in June 2025.

JSW MG Motors, which had gained strong traction in FY25 with the Windsor EV, has seen momentum soften in FY26, with its share stabilising near 25 per cent, Equirus said. M&M has added to the competitive intensity, increasing its market share from 6 per cent to 20 per cent over the past year on the back of its new BE 6 and XEV 9E launches.

More on business-standard.com

Business Standard, 10 December 2025

EV sales top 2 mn in first 11 mths of '25

Speeding up Units sold

Categories	Jan-Nov '25	Y-o-Y chg (%)
2W	1,181,568	9.85
3W	709,510	12.29
PV	160,894	77.59
CV	13,699	45.44
Others	181	18000
Total	2,065,852	14.29

Source: Fada Research

SOHINI DAS
Mumbai, 9 December

The electric vehicle (EV) industry crossed the 2 million mark in registrations till November for the 2025 calendar year, driven by growth in the sale of passenger vehicles (PVs) and two-wheelers (2W) during the period, according to data from the Federation of Automobile Dealers Associations (Fada).

The PV industry clocked a 77.5 per cent growth, while 2Ws grew by 9.85 per cent between January and November.

This is the first time that the EV industry has crossed the 2 million-mark and that too in the 11 months of the year, scoring a 14.29 per cent year-on-year jump.

Industry watchers say that this is also the first time that all four segments — PV, 2Ws, three-wheelers (3W), and commercial vehicles (CV) — have already achieved their highest-ever annual sales.

PV registrations during the period were 160,894 units, up 77.5 per cent compared to 90,598 units in the same period last year, led by strong growth in volumes by Mahindra and Mahindra (M&M), JSW MG Motors, Hyundai Motor India, as well as market leader Tata Motors also posting high single-digit growth.

With strong discounts raining in December, the ePV industry may touch 180,000 units for the 2025 calendar year. Tata Motors posted a 9.67 growth in registrations to 63,162 units, but JSW MG Motors narrowed the gap between the first and the second spots by a high margin. MG Motors sold 47,612 units in the January-November period this year, compared to 17,936 units in the same period in 2024, a growth of more than 165 per cent.

Analysts expect that a slight change in the pecking order is possible in 2026, with mass market players like Maruti Suzuki India entering the fray.

Anurag Singh, advisor, Primus Partners told *Business Standard* that with more options coming in the sub-₹15 lakh segment, the EV demand has grown significantly in 2025.

"With players like Maruti entering the game with a 5-year game plan for charging infra etc, there may be more traction in the market. Even Hyundai is doing well and the Creta has clicked. Moreover, Tata and Mahindra too have good line-ups. So while things are quite dynamic, one can expect to see some changes in the pecking order in 2026," Singh said.

TaMo has Nexon, Punch, Harrier, Curvv, Tiago and Tigor in its portfolio and has seen its market share plummet strongly in 2025 to 39.25 per cent from 63.5 per cent last year (January-November period). The Harrier EV is driving demand for the company, which saw a 38.3 per cent Y-o-Y growth in November EV retail to 6,153 units.

Rival MG Motor India saw its market share grow from 19.79 per cent in 2024to nearly 30 per cent in 2025, much to the credit of the Windsor EV. It expanded its EV offering to include the M9 and the Cyberster.

More on business-standard.com

Business Line, 13 December 2025

Big capital makes a return to EV two-wheeler sector

Jyoti Banthia
Aishwarya Kumar
Bengaluru

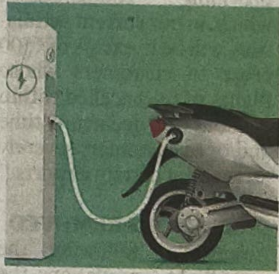
The electric two-wheeler sector is witnessing a sharp return of big-ticket capital, with investors doubling down on mature and scale-ready manufacturers even as early-stage funding dries up. The industry has raised $1.4 billion so far in 2025, a 27 per cent jump over last year, but across barely half the number of deals, signalling a decisive shift towards high-conviction bets in a market where EV penetration remains just 8 per cent.

Late-stage funding has surged 105 per cent year-on-year (y-o-y), driven by large rounds in EV makers, which alone accounted for $1.2 billion, according to Tracxn.

Ranjeet Shetye, Venture Partner at YourNest VC & MD at Everstream Analytics, said strong policy support and rising fuel costs heightened environmental consciousness, and rapid advances in battery technology continue to draw investors to the segment.

"The entry of new competitors is stimulating innovation. Both mass-market companies and performance-focused brands are attractive, the former for scale and the latter for higher margins," he said.

Performance-led players, such as Exponent Energy, attract premium consumers willing to pay for cutting-edge engineering, while mass-market OEMs offer volume growth and wider reach, he added. A major white space is emerging in electric motorcycles, especially in the commuter segment that dominates India's mobility. "Motorcycles account for nearly 70 per cent of India's two-wheeler market, yet EV penetration here is negligible compared to scooters. This is the gap Oben Electric is focused on," said Madhumita Agrawal, Founder & CEO of Oben Electric.



The sub-₹1.6 lakh commuter motorcycle category remains underserved, despite being the largest and most price- and performance-sensitive segment, she said. Players such as Ultraviolette operate in the premium performance motorcycle segment, while Revolt also competes in the electric motorcycle category, signalling a growing strategic shift from scooters to higher-usage segments.

BEYOND METROS

Oben plans to expand aggressively over the next two years, with a focus on regions where motorcycles remain the backbone of daily commute, particularly in semi-urban belts and fast-growing tier-3 and tier-4 cities. "North India is a key priority," said Agrawal.

Revolt Motors is also scaling rapidly, and is in the middle of upgrading capacity to 1.5 lakh units annually. "Our expansion is focused on tier-2 and tier-3 cities, where motorcycles dominate personal mobility. We are already present across 200+ locations," said Anjali Rattan, Chairperson, Revolt Motors.

She added that the company is seeing the strongest adoption in Delhi-NCR, Rajasthan, Gujarat, Maharashtra and Uttar Pradesh.

Shetye expects more EV companies to go public in the next two to four years as operational discipline and profitability strengthen. With competition intensifying, consolidation is also likely.

Revolt's Rattan believes the next wave of growth will come from high-mileage riders, who stand to save ₹5,000-8,000 per month, as well as young consumers upgrading from 100-125cc motorcycles and tier-2/tier-3 customers prioritising long-term value and durability.

Business Line, 13 December 2025

EV battery market to grow 14-fold by 2032: CES report

S Ronendra Singh
New Delhi

India's electric vehicle (EV) battery market demand will surge from 17.7 GWh in 2025 to a staggering 256.3 GWh by 2032, highlighting a 14-fold surge, according to Customised Energy Solutions' (CES) *2025 EV Battery Technology Review Report* on Friday.

This growth is driven by India's push towards electrification, with rising fuel prices, strong consumer demand, rapid model launches and robust policy support creating a unique growth environment, it said.

The report added that a CAGR of 35 per cent is expected over the next seven years, signalling a seismic shift in the nation's automotive sector.

At the heart of this growth story is a revolution in battery chemistry. Global advances are pushing lithium-ion batteries, especially next-generation lithium-iron-phosphate (LFP) and nickel-cobalt-manganese (NCM) technologies to new heights of energy density, safety and cost competitiveness, it said.

VEHICLE PRICES

The report also noted that LFP Gen 4 cells are now exceeding 300 Wh/kg, enabling longer driving ranges and potentially lower vehicle prices.

VARIOUS CLASSES

Meanwhile, sodium-ion and solid-state batteries are entering the market, offering solutions tailored for India's diverse vehicle classes, from two- and three-wheelers, to premium passenger cars and commercial fleets.

"Breakthroughs in battery chemistry are at the core of India's EV revolution. Innovations like LFP Gen 4 and the emergence of sodium-ion technology are not just technical upgrades; they're gamechangers that will make EVs more affordable, safer and able to go farther on a single charge," said Vinayak Walimbe, Managing Director at CES. This is what will truly open the door for millions of Indians to embrace electric mobility and drive the next big leap in our auto industry, he added.

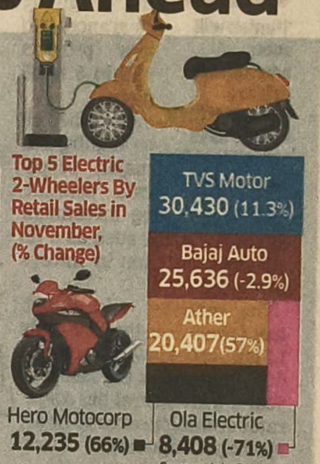
The Economic Times, 14 December 2025

TWO-WHEELER MARKET CHANGES LANES

E-bikes Fervour Discharging; Big Potholes Ahead

Losing Speed

Electric 2-wheelers market share (%)	YTD OCTOBER 2024	YTD OCTOBER 2025
Ola	42.5	18.3
TVS Motor	20.3	24.8
Bajaj Auto	17.6	22.9
Ather	12.4	17.3
Hero Motocorp	4.3	8.8
Ampere	0.2	4.7
Pure Energy	0.4	1.6
Revolt	0.8	0.9
Okaya	0.6	0.2
Okinawa	0.5	0.2
Others	0.3	0.4



Source: Jato Dynamics

Amid fading FAME surge, charging woes, GST 2.0 ICE kickstart, electric 2-wheelers need new direction

Lijee Philip

Mumbai: For most of the past three years, India's electric two-wheeler registrations were rising, monthly charts reflected explosive sales growth, and analysts spoke confidently of EV scooters taking over city streets by the end of the decade.

But the latest numbers tell a very different story. The slowdown many in the industry dismissed as temporary, is now shaping into a clear trend: India's electric two-wheeler boom has stalled — and in some pockets, is slipping into reverse.

The contrast becomes starker when viewed against the larger two-wheeler backdrop.

India's overall two-wheeler market, dominated by petrol-powered motorcycles and scooters, sold 2.52 million units in November 2025, a modest 3.94% decline from a high base in 2024. A minor seasonal dip, perhaps, yet the internal combustion engine (ICE) segment, which uses fossil fuels, is showing something that the EV segment is not — stability.

Legacy manufacturers continue to anchor the market. Hero MotoCorp retained its leadership, followed by Honda and TVS, signalling a return to steady demand for petrol models even as the festive surge tapered off. The resurgence underscores the surprising reality that while EVs were expected to disrupt ICE dominance by now, it is the ICE market that appears far more predictable and resilient, experts said.

Internal combustion engine two-wheeler market seems more resilient than electric

In sharp contrast, India's electric two-wheelers sold 117,000 units in November, a 2.3% year-on-year contraction and a jarring reversal for what was once the fastest-growing mobility segment in the country.

End of Road for Many ▸▸ 7

End of Road for Many

From Page 1

India today has at least 173 electric two-wheeler manufacturers, a product of post-FAME subsidy exuberance, easy venture funding, and the belief that the EV wave would lift all boats. But last month, more than 46 of these companies reported zero sales, and around 100 players sold fewer than 10 units. "Many startups scaled prematurely, banking on early subsidies and hype, only to discover that without trust, service networks, and working capital, the mass market simply will not bite," said Ravi Bhatia, president, Jato Dynamics, which collated the data.

Even among established players, the ground is shifting. Ola Electric held the largest market share, ahead of TVS Motor, Bajaj Auto, Ather, and Hero MotoCorp. But 2025 flipped the order: TVS now leads, followed by Bajaj, with Ola slipping to third. Ather and Hero round out the top five.

"We saw our market share grow, led by the scale-up of Rizta, our family scooter and further accelerated by our aggressive distribution expansion," said Ravneet Singh Phokela, CBO, Ather Energy.

"We're excited about what's in store for the next year, a clear trend towards premiumisation, continued retail network expansion, launch of products on the new EL platform, and manufacturing capacity expansion at our upcoming facility in Chhatrapati Sambhajinagar," Phokela said.

TVS Motor Co, at its latest earnings call, said while there were some constraints of magnet availability, the last 3 years show customer understanding of the total cost of ownership (TCO) of EVs. This will see a huge change in thinking and penetration for EVs. Earlier everyone focused on urban, slowly they are now getting into the rural markets, too.

The most dramatic fall is Ola's. Long positioned as the face of India's EV revolution, its market share collapsed from 42.5% to 18.3%. Repeated service complaints, quality inconsistencies, battery incidents, and viral customer testimonials have dented confidence.

At the same time, dozens of smaller companies, initially buoyed by government incentives, now face compliance issues, supply constraints, or financial crunches. Some have paused production; others have exited quietly. For a category still dependent on first-time buyers, instability in the manufacturer ecosystem translates directly into purchase hesitation.

Yet the most decisive factor behind the slowdown may be the one that policymakers believed would help EVs most: the GST reset of September 2025. While EVs continued to be taxed at 5%, the GST on petrol two-wheelers was slashed from 28% to 18%.

"The move instantly made ICE scooters cheaper at the showroom. Combined with the higher duties EV manufacturers still bear on batteries, semiconductors, and power electronics, the result was a Rs 20,000–25,000 widening in upfront prices," said a senior official of an electric two-wheeler company.

Buyers in this segment focus on monthly EMIs. Overnight, petrol re-emerged as the more attractive choice, the official said.

The structural challenges go deeper. India's shift from motorcycles to scooters in urban and semi-urban markets should have accelerated EV adoption. But the mass buyer faces limited high-trust EV options, uncertain resale value, inconsistent financing, and persistent anxieties around charging in apartments and rental housing.

Battery architecture has tightened the bottleneck. Despite years of discussion on swapping and Battery-as-a-Service, the majority of India's EV two-wheelers still use fixed batteries. Without reliable home or shared charging, the category remains urban-centric and exclusionary.

"India's EV slowdown is not about technology," says Bhatia. "It is about price logic breaking after the GST reset, instability among manufacturers, and insufficient financing and resale confidence. Unless all three are solved together, EV penetration will remain cyclical rather than compounding."

TRACTOR

Business Line, 11 December 2025

Nov tractor sales plummet after all-time high in Oct

TE Raja Simhan
Chennai

Tractor sales, which touched an all-time high in the month of October, saw a sharp dip in November to 1,02,011 (7,490 exports) versus 1,73,635 (9,269) in October, Tractor and Mechanisation Association data revealed. However, sales in November were still better than July and August.

The GST rate reduction coupled with good monsoon boosted tractor sales in October. However, the market is returning to normal, said an industry source commenting on the dip.

Veejay Nakra, President – Farm Equipment Business, Mahindra & Mahindra Ltd, felt there is positive sentiment among farmers with record production this kharif season and increase in rabi sowing acreage. The government's progressive measure of GST rate reduction coupled with higher MSP is leading to positive cash flow for farmers and aiding tractor & farm implements demand. Meanwhile, ICRA has significantly revised upward its growth outlook for the Indian tractor industry for fiscal year 2026. The new forecast of 8-10 per cent wholesale volume growth represents a substantial increase from the previous estimate of 4-7 per cent, driven primarily by above-normal monsoon rainfall and the recent reduction in the GST.

MONSOON SEASON

The 2025 South-West monsoon season has been a key positive factor, with India receiving rainfall at 108 per cent of the long period average (LPA).

This has fostered positive farm sentiment and is expected to significantly boost agricultural output. The implementation of a GST rate cut on tractors to 5 per cent in September 2025 is another critical demand catalyst, making agricultural machinery more accessible to farmers. Furthermore, the industry anticipates additional volume support from potential pre-buying in the latter part of the year, ahead of the proposed implementation of the TREM V emission norms from April 1, 2026.

ICRA stated original equipment manufacturers (OEMs) will maintain strong credit profiles. Profit margins are likely to remain healthy, on expected rise in volumes, benefits from operating leverage, and stable raw material costs. The industry's financial strength is further underpinned by low debt levels and sufficient cash and liquid investments.

RAW MATERIAL

Business Line, 4 December 2025

JSW seals ₹31,500 cr JV with JFE Steel for Bhushan Power

DE-LEVERAGING. Jindal company will sell 50% in BPSL to Japanese giant for ₹15,750 cr

Suresh P Iyengar
Mumbai

JSW Steel will sell 50 per cent of its stake in its subsidiary Bhushan Power and Steel (BPSL) to JFE Steel Corporation for ₹15,750 crore, to form an equal joint venture at an equity value of ₹31,500 crore, as part of its efforts to deleverage its balance sheet and fund growth.

It will also transfer BPSL-related debt of ₹5,000 crore to the newly-formed JV entity.

CREATING CHANNELS. Through this transaction, JSW Steel will monetise part of its holding in BPSL to accelerate the growth of the company REUTERS

To start with, JSW Steel will transfer its BPSL business through slump sale to JSW Sambalpur Steel, for a ₹24,483 crore.

JSW Sambalpur is 100 per cent held by JSW Kalinga Steel. JFE will acquire 50 per cent equity stake in JSW Kalinga at an aggregate consideration of ₹15,750 crore in two equal tranches.

In a separate development, JSW Shipping & Logistics, a promoter group entity, will transfer its 17.35 per cent holding in BPSL to JSW Steel through a share-swap deal, post which the promoters' holding in JSW Steel will go up to 46.75 per cent from 45.32 per cent now.

JSW Kalinga is a wholly-owned subsidiary of Piombino Steel, which in turn is owned by JSW Steel (82.65 per cent) and by JSW Shipping & Logistics (17.35 per cent).

SHARE SWAP

To gain full control of BPSL, JSW Steel merged Piombino Steel, the holding company of BPSL, and acquired 17.35 per cent stake held by JSW Shipping & Logistics through a share-swap deal.

The slump sale and related steps will result in JSW Steel and JFE holding JSW Kalinga at 50 per cent each.

BPSL currently operates 4.5-million tonnes per annum (mtpa) integrated steel facility in Odisha and it will be expanded to 10 mtpa by 2030. Jayant Acharya, Joint Managing Director, JSW Steel, said the deal will result in deleveraging of balance sheet by ₹37,250 crore and help in taking up the planned 25-mt integrated port-based steel plant at Paradip in Odisha. The proposed plant will be connected through a slurry pipeline of 300 km to the captive iron ore mine and the work on pellet plant is in progress, he said.

With the deleveraged balance sheet, the first phase of 5-mtpa steel plant will be taken up sooner than later, he said.

NET DEBT TO DIP

The net debt of JSW Steel at ₹80,000 crore will come down to ₹43,000 and net debt to EBITDA will fall to 1.15 times from 2.97 times by March-end.

Though JSW Steel had acquired BPSL for ₹19,700 crore through an IBC process in 2021, it was finally approved by the Supreme Court in September.

"The company will bring in JFE that will bring in technological expertise, and along with JSW Steel's capability of project execution and operational excellence, will create further value for the joint venture," it added.

Business Line, 11 December 2025

Tata Steel plans major expansion, backward integration programmes

Our Bureau
Mumbai

Tata Steel announced a slew of brownfield expansion and backward integration programmes to strengthen long-term growth. It signed an MoU with Lloyd Metals & Energy (LMEL) to set up a greenfield 6 mt steel plant in two phases at Gadchiroli in Maharashtra. Both companies will also work on iron ore mining, and logistics including slurry pipeline, and pellet making.

They will operate mining concessions and associated infrastructure, with the objective to increase iron ore production and be a prominent player in developing the region as a new iron ore hub of India, Tata Steel stated.

All proposed initiatives are subject to further detailed evaluation, due diligence and receipt of requisite internal and regulatory approvals, said the company after its board meeting on Wednesday. Tata Steel has also signed definitive agreements to acquire 50.01 per cent stake in Thriveni Pellets from Thriveni Earthmovers for ₹636 crore. The remaining stake in Thriveni Pellets will be held by LMEL. The deal is expected to be closed in 3-4 months.

DEMO PLANT

Tata Steel will also commence engineering work and seek regulatory approval to set up a demonstration plant of about 1 mtpa in Jamshedpur using the HIsarna technology. Tata Steel owns the global intellectual property rights of the low carbon HIsarna process, which uses inferior quality iron ore, eliminates the usage of coke and also uses steel slag in its process.

The Tata Steel board has given in-principle approval for the 4.8 mtpa capacity expansion at Neelachal Ispat Nigam. It will also undertake design and engineering work to set up of a 2.5 mt thin slab caster and rolling facilities at Tata Steel Meramandali.

GOVERNMENT POLICY

Business Line, 9 December 2025

Israeli govt looks to shift defence manufacturing to India

Dalip Singh
Tel Aviv/Jerusalem

India and Israel are moving beyond the traditional buyer-seller relationship, with Tel Aviv now actively exploring investments in India's Aatmanirbhar Bharat defence initiative and shifting manufacturing of unmanned systems and other weapons platforms to India.

This was underscored during Defence Secretary Rajesh Kumar Singh's visit to Israel in early November. Singh co-chaired the India-Israel Joint Working Group (JWG) meeting in Tel Aviv, where the two sides signed a new MoU on defence cooperation, aimed at deepening ties through joint development, co-production of defence systems and advanced technology sharing, including AI and cyber, training and R&D.

Sources at the Indian Embassy in Tel Aviv and the Israeli government confirmed that both governments are working to combine Israel's innovation ecosystem with India's engineering strengths to produce defence products under 'Make in India, for the World'. The transformation will be visible in the next six months to one year, said a senior diplomat from the Indian Embassy.

The Netanyahu government's move to diversify defence production outside Israel also stems from declining military exports to India, which is now focusing on self-reliance to reduce import dependence. India has also broadened the procurement of equipment towards

the US and France to manage global supply chain constraints arising out of ongoing conflicts.

Israel's share of India's arms imports has steadily declined from its peak of roughly 34 per cent in 2015-2019 to around 9 per cent in 2018-2022, and continued to soften further by 2020-2024, according to the annual reports of the Stockholm International Peace Research Institute (SIPRI). But Israel still remains among the top three exporters of arms to India, rallying behind Russia and France. Exports to India, however, are controlled by top Israeli government and private defence companies – Israel Aerospace Industries, Israel Weapon Industries (IWI), Rafael, and Elbit Systems. They account for 80-85 per cent of Israel's defence exports. But the Israeli government is now pushing its MSMEs and start-ups to explore the Indian market, said a Netanyahu government official.

"We have common interest, common challenges and common symmetric threats. If we produce together and export together, it will be better for us strategically," said the official, underlining the similarities that have held the bilateral defence partnership together for decades. But, strong export control regulation of US is a matter of concern for Israel, they admit.

JOINT VENTURES

That said, some joint ventures for production in India are already operational for a while.

For instance, IWI has set up local co-production in India through a joint venture with an Indian firm, PLR Systems –part of Adani Defence & Aerospace – for small arms. IWI will supply the first batch of 40,000 Negev light machine guns to India starting early next year, said CEO Shuki Schwartz.

Similarly, a senior official with Elbit Systems, who did not wish to reveal his identity, said his company has also shut shop in Israel and moved to India for co-production. Elbit Systems has partnered with Adani Defence & Aerospace to build a manufacturing facility in Hyderabad to produce the Hermes 900 MALE UAVs.

While the Indian Army and Indian Air Force have already inducted the platform, the Indian Navy also opted for it during emergency procurement after Op Sindoor, an Elbit official stated. Israeli firms are also sourcing materials, parts and sub-systems from India, with Elbit alone having 200-250 vendors to augment its supply chain.

Looking to expand in India, a senior official with IAI said that "as an industry, we are very aware of the Make in India initiative, and we are working very hard towards that with our partners".

The writer was in Israel on the invitation of the Israeli government

Business Line, 10 December 2025

Trade unions call for nationwide strike in Feb against Labour Codes

Our Bureau
New Delhi

Trade unions on Tuesday announced plans for a nationwide escalation of protests demanding the withdrawal of the four Labour Codes, declaring a countrywide general strike in February 2026.

The joint platform of Central Trade Unions (CTUs) and sectoral federations/associations, after a hybrid meeting held on December 8, said it would intensify campaigns, expose "false propaganda" by the government and corporate media, and resist attempts to enforce the codes. The exact date of the February strike will be finalised at the next meeting scheduled for December 22.

STIFF RESISTANCE

CTUs congratulated workers for "widespread and spontaneous" protests, noting that "stiff resistance" over the past five years had earlier prevented their implementation. Demonstrations were reported on November 26 at the district level and places of work, the unions said, drawing participation from organised and non-unionised employees, journalists alongside members of the BJP-aligned Bharatiya Mazdoor Sangh (BMS).

A statement highlighted large-scale mobilisation by the Samyukta Kisan Morcha (SKM), which joined the protests. Students and youth groups too took part in significant numbers, the platform noted.

Meantime, the unions accused the Centre of running an "unprecedented propaganda campaign" to project the codes as beneficial.

The meeting also took note of what it described as the "Indigo menace", alleging corporate high-handedness and negligence that caused distress to thousands of air passengers and workers.

The Times of India, 11 December 2025

MSME ministry to set up 3 tech extension centres in state

TIMES NEWS NETWORK

Pune: The Union ministry of micro, small and medium enterprises (MSME) is set to establish three extension centres in Maharashtra — one each in Pune, Nagpur and Sindhudurg, additional development commissioner Sudha Keshari said on Wednesday.

The three centres are part of a nationwide plan to set up 100 extension centres and 20 technology centres.

"Our focus is on formalising MSMEs to improve credit access, enhance financing options, and encourage technology adoption through initiatives like the Udyam portal and collateral-free credit schemes, with special emphasis on women-led enterprises," Keshari said after attending the auto expo organised by the Mahratta Chamber of Commerce, Industries and Agriculture (MCCIA) here.

P Velrasu, CEO of Maharashtra Industrial Development Corporation, stressed the state's cluster-based industrial development strategy.

Vikas Pansare, MD of Maharashtra Small Scale Industries Development Corporation Limited, said state initiatives like Raising and Accelerating MSME Performance were helping first-generation entreprenleurs and socially disadvantaged groups by lowering costs, strengthening clusters and providing common facilities.

Business Line, 11 December 2025

Construction equipment makers see dip in road work volumes over the past year

KEY REASONS. Payment delays, land acquisition hurdles and poll-year distractions among factors for slowdown

Aishwarya Kumar
Bengaluru

Despite the fact that most major Indian cities appear dug up for metro rail, highway upgrades, utility repairs and other civic works, construction equipment makers say actual road construction volumes have dipped over the past year.

Manufacturers, including Volvo Construction Equipment, Tata Projects and Wipro Hydraulics, note that while ground-level disruption has increased, project execution, especially road-building has slowed.

Dimitrov Krishnan, Managing Director, Volvo CE India, said 2025 has been a distinctly softer, with the industry seeing 10-12 per cent lower than last year, on a current-run-rate basis. "If you look at it from a fiscal-year perspective, the decline could be even sharper," he told *businessline* during EXCON 2025 in Bengaluru.

THE ROADBLOCKS. Contractors are increasingly reluctant to take up road projects due to delayed government payments

There is clearly a demand gap, he added. "Among all the segments we operate in, road construction is the weakest. Mining was weak until September but has picked up now, so mining is doing slightly better. Urban infrastructure is okay, and quarry and aggregates are stable, not a decline, but not showing growth either. There are ongoing projects, but the awarding of new projects is low. While road construction happens in cycles of 5 years, with one project cycles completing, and the next one starting, this time the new project award is quite low," he said.

PAYMENT DELAYS

Is this a blip? Industry executives point to a mix of payment delays, land acquisition bottlenecks and election-year distractions. Sitaram Ganeshan, President, Wipro Hydraulics, said contractors are increasingly reluctant to take up or accelerate road projects attributing it to delay in government releasing payments on time. He added that stricter norms around land acquisition are also affecting timelines. "The government now wants 80-90 per cent of land acquired before a road project begins, which makes sense because you don't want to start work and stop midway. But this process itself takes longer," he said.

Election cycles, both Central and State, have further diverted administrative attention, slowing decision-making and fund releases. "It's mainly a timing issue. Once payments start flowing and investments pick up again, demand will return. India still remains one of the strongest growth markets globally," Ganeshan said.

Even as conventional road-building slows, companies say there is rising momentum in smart-mobility projects such as tunnel roads, metro expansions and high-speed rail corridors. Vinayak Pai, MD & CEO, Tata Projects, said the country is moving "from volumes to smarter connectivity." While traditional road volumes have dipped, new forms of mobility infrastructure are gaining scale.

INFRA TRANSITION

Long-span bridges like the Atal Setu, enhanced metro networks and technology-enabled road management systems are becoming core elements of India's infrastructure strategy.

"We are in a dip between two peaks. There are many planned projects, and both NHAI and the Ministry are emphasising smarter, safer, tech-enabled road networks," he said.

An infrastructure transition, not a slowdown? Executives agree that while there is a temporary dip in road-construction volumes, India's infrastructure pipeline remains strong. Despite near-term delays, industry leaders expect activity to recover, as elections settle, land buy picks up, and funds begin flowing again.

The Economic Times, 11 December 2025

EU Agrees to Cut 90% Emissions by 2040

European Union countries and lawmakers reached a final deal Wednesday on an ambitious target for cutting greenhouse gas emissions by 2040, allowing carbon credits bought outside the continent to help reach the goal.

A number of countries, led by Italy, had expressed concern at the target of reducing the 27-nation bloc's emissions by 90% from 1990 levels by 2040.

The final deal allows for five percent of cuts to be accounted for through carbon credits acquired for projects outside Europe. Activist groups have accused the EU of simply sending the climate change campaign offshore.

The Times of India, 11 December 2025

Sovereign control a valid concern: Nadella

Backs India's Stand On Local Resilience

Times News Network

PTI

Addressing an event in Delhi, Microsoft CEO Satya Nadella said he was excited about setting up the data centre capacity in India

New Delhi: As Microsoft invests $17.5 billion in India over the next four years into AI and cloud, the tech giant's CEO Satya Nadella Wednesday said it was a "legitimate concern" of countries like India to talk about sovereign control and local resilience.

Asked whether AI and tech prowess were increasingly being used as diplomacy tools and nations needed to build resilience and sovereign stack, Nadella said, "... it's absolutely a very legitimate question and concern... and I would say a requirement. Which is for a country like India to say that ultimately things that are being deployed here, used here, at scale are effectively resilient and sovereign. In other words, you want to control your own destiny."

Reaffirming the tech giant's commitment to India's AI ambitions, the India-born CEO—delivering his keynote at the Microsoft Leadership Connection event — praised what he called a "virtuous cycle" created by the country's tech policies, digital public infrastructure, and vast domestic market. "One thing India has done very uniquely is bring together a virtuous cycle from the policies, the programmes, the technology stack, and the market," he said. "It's tremendous to see the private sector fully participate, whether in payments, healthcare, or insurance. It's not about any one thing. That entire stack is magic."

He added that with the Sovereign Public Cloud now available in India, organisations could tap into a prescriptive architecture for deploying workloads on Azure, supported by built-in compliance guardrails through Sovereign Landing Zones. This, he said, enabled policy enforcement and provided stronger governance controls.

On the company's India investment strategy, he said he was excited about the data centre capacity it was setting up, adding he had discussed the plans with PM Narendra Modi on Tuesday. "We're thrilled about all the data ce-ntre capacity that is coming live. We already have stuff in Pune, Chennai and Mumbai. We are very excited about our India South Central cloud region, based in Hyderabad, that's going to come up next year," Nadella said.

Labour ministry inks initial Microsoft pact

The ministry of labour & employment on Wednesday signed a memorandum of understanding (MoU) with Microsoft to strengthen job opportunities, AI skilling, and workforce readiness in the country. This collaboration represents a major step in expanding employment linkages, scaling AI-led skilling, and preparing India's workforce for global opportunities, according to a ministry statement.

The MoU with Microsoft was signed in the presence of Union labour minister Mansukh Mandaviya and Microsoft CEO Satya Nadella. Mandaviya said Microsoft's participation would accelerate job access, deepen skilling, and enhance India's leadership in global labour mobility. "India has achieved a historic milestone in social protection, with coverage rising from 19% in 2015 to an impressive 64.3% in 2025, benefiting over 94 crore citizens. By embedding AI into platforms like e-Shram and the National Career Service, we are fortifying social security and moving closer to our goal of social protection to 100 crore citizens by March 2026," he said. TNN

Business Line, 12 December 2025

Mexico tariff hike triggers concerns over export of auto components and cars

S Ronendra Singh
New Delhi

After US tariffs on import of Indian auto components and cars, Mexico on Thursday imposed 50 per cent import tariff on these goods, sparking concerns for India's automobile sector.

In FY25, India's automotive sector (vehicles and components combined) exported around $1.95 billion worth of items to Mexico. According to industry sources, auto parts exports to Mexico stood at $834 million in FY25 and in the first half of FY26, it stood at $370 million.

Skoda Auto Volkswagen India (VW branded cars) is the biggest exporter to Mexico (around 45,000 cars in a year), followed by Hyundai Motor India (30,000 units), Kia (20,000 units) and Maruti Suzuki India (15,000 units) with a total estimation of one lakh cars this year. In the 2024 calendar year, these companies exported around 95,000 vehicles to Mexico, said sources.

TRADE TENSION. In FY25, India's automotive sector exported around $1.95 billion worth of items to Mexico

NO IMPACT

But a spokesperson at Skoda Auto Volkswagen India said there will be no impact to its business at the moment. "Mexico has consistently been one of our important export markets, given the rising demand there and the traction of our India-made models. We are monitoring the situation continuously. For the moment, we have come to the conclusion that our business activities are not affected," the spokesperson said.

In the two-wheeler segment, major exporters are Bajaj Auto, TVS Motor Company and Hero MotoCorp.

"Mexico's revised import duties on non-FTA partners, including India, could add cost pressures for our exporters. ACMA remains hopeful that ongoing bilateral dialogue between our two governments will ensure stability and continuity in our growing automotive trade," Vinnie Mehta, Director General, Automotive Component Manufacturers Association of India (ACMA), told *businessline*.

IMMEDIATE CONCERN

According to Saurabh Agarwal, Automotive Tax Leader, EY India, the proposed import tariff by Mexico, particularly with its implications for the automotive sector, is an immediate concern that could significantly inflame global trade tensions.

"For Original Equipment Manufacturers and component manufacturers that have strategically routed exports to the US via the Mexican supply chain to benefit from the USMCA, this represents a sudden and costly disruption. In the short run, companies face a near-impossible task of abruptly re-engineering complex supply networks," he said.

Agarwal said this friction will inevitably translate into operational disruptions, higher costs for manufacturers, and ultimately, an unwelcome price increase for the American consumer if not subsidised otherwise.

"However, this moment must be viewed as a catalyst for long-term resilience. The uncertainty underscores the critical need for a considered shift away from hyper-concentrated supply chains and explore alternative export markets. The industry must use this turbulence to accelerate the structural reimagining of their sourcing and manufacturing footprints, transforming a short-term crisis into a long-term competitive advantage," he added.