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Association of Indian Forging Industry

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

AUTOMOTIVE INDUSTRY

The Economic Times, 2 October 2025

CKED IN LAST MONTH

TaMo Speeds Past Hyundai, M&M to 2nd Spot in PV Race

Extends lead over JSW MG in EV registrations for Sept

Shally Seth Mohile

Mumbai: The battle for the No. 2 spot in India's passenger vehicle (PV) market has taken a turn. Tata Motors, powered by a surge in SUV and electric vehicle sales, has overtaken Hyundai Motor India and Mahindra & Mahindra in September registrations, while also widening its lead over JSW MG Motor in the EV race. According to the government's Vahan portal, the company jumped from fourth place in the year-earlier month to second, behind market leader Maruti Suzuki.

Tata Motors registered 40,594 units in September, including EVs, a 28% increase over 31,581 vehicles in September 2024. Hyundai, which held the No. 2 position a year ago, slipped to fourth with 35,443 registrations, including EVs, compared with 37,666 last year.

Mahindra, despite improving volumes to 37,015 units, including EVs, remained in third place. Maruti Suzuki continued to dominate with 122,278 registrations including EVs, up from 113,560 a year earlier.

Overall EV registration during the month jumped to 15,040 units from 6,210 units a year ago. This also includes the data of the two new entrants—Tesla and Vinfast. The pure play EV firms started accepting bookings the same day—July 15. Tesla has retailed 60 units while Vinfast has retailed six.

Companies such as JSW MG and Mahindra expanding offerings are giving further confidence to buyers considering the EV shift.

Industry executives cautioned that September 2025 figures are not strictly comparable with last year, as GST cuts on small cars, the Shraddh period, and the earlier onset of Navratri (September 22-October 2) this year combined to bunch up registrations toward the end of the month.

Tata's ascent was underpinned by the internal combustion engine (ICE) powered Nexon, Punch and Harrier models.

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Dominance in Mass EV Market

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Its electric vehicles—the Nexon EV, Tiago EV and Punch EV—also played a decisive role, contributing an estimated 13–15% of volumes.

This helped Tata strengthen its No. 2 position in overall PVs while pulling further ahead of JSW MG Motor in the EV segment. MG's ZS EV and Comet together accounted for far lower volumes, leaving Tata with more than double MG's EV registrations in September and an estimated 70% share of the mass EV market.

Hyundai's slip to fourth reflects slower growth in its key models, Creta and Venue, while its premium EVs such as the Ioniq 5 and the Creta EV remain niche products. Mahindra held on to third with the Scorpio-N, Bolero, XUV700 and Thar, but its absence in mass EVs continues. Those models are expected in 2026.

"Navratri this year has been one of the most promising festive periods due to the GST reform for the auto industry," said Vinkesh Gulati, industry veteran and former Federation of Automobile Dealers Associations (FADA) president.

Business Line, 4 October 2025

Maruti Suzuki's output zooms 26% on year in September

IN THE SLOW LANE. Total domestic PV dispatches to dealers, however, declines 8%

Our Bureau
New Delhi

India's largest passenger vehicle maker Maruti Suzuki India (MSIL) said its production across plants rose 26 per cent year-on-year (y-o-y) in September to 1,98,316 units compared with 1,56,709 units in the same month last year.

Including its commercial vehicle, 'Super Carry', the company's total production rose to 2,01,915 units (1,59,743 units), MSIL said in a regulatory filing.

The company produced 12,318 units of Alto and S-Presso last month, which is up marginally compared to 12,155 units in the year-ago period.

Production of compact models like Baleno, Celerio, Dzire and Swift increased to 93,301 units in September against 68,413 units in the same month last year. Manufacturing of utility vehicles, such as Brezza, Ertiga and Fronx, witnessed a 27 per cent y-o-y rise to 79,496 units.

SUV SURGE. Manufacturing of utility vehicles such as Brezza, Ertiga and Fronx witnessed a 27% y-o-y rise to 79,496 units

The company stopped the production of its mid-size sedan Ciaz last month, while it rolled out 1,687 units of the vehicle last September.

The production of Eeco van climbed to 13,201 units (11,702 units).

Production of Super Carry LCV grew to 3,599 units (3,034 units). Earlier this week, Maruti Suzuki reported a 3 per cent y-o-y increase in total sales at 1,89,665 units in September.

Total domestic passenger vehicle dispatches to dealers, however, declined 8 per cent y-o-y to 1,32,820 units.

LOGISTICAL HURDLE

Partho Banerjee, Senior Executive Officer, MSIL, said the turnaround time of freight is taking time. "For instance, the truck trailer which is going to South or West, it takes 8-9 days to reach and a similar number of days to come back. So, the whole cycle comes to around 18-19 days... so we are expecting that this logistics thing would get normalised by 10th of this month (October)," he added.

Business Standard, 4 October 2025

Ramkrishna Forgings eyes rail push with components for bullet train

DHRUVAKSH SAHA
New Delhi, 3 October

Kolkata-headquartered Ramkrishna Forgings, which is on its way to becoming the only private sector manufacturer of the crucial railway forged wheels, is eyeing a major push in the railway segment and aiming to raise the company's rail revenue share to 20 per cent by 2030, Executive Director Chaitanya Jalan told *Business Standard*.

Besides its forged wheels facility coming up in Chennai in a joint venture with Titagarh Rail Systems, the company would focus on becoming a leader in the nascent high-speed rail, popularly known as bullet train, sector in India, for which it designs bogie undercarriages.

"When 2030 probably comes around, we anticipate our railway revenue on a consolidated basis to be anywhere around 20 per cent or up with the Indian Railways. Currently this is about 6 per cent," said Jalan.

The Chennai facility will produce 220,000 forged wheels per year, of which the national transporter's demand will be of around 80,000 wheels and the rest will be targeted for the export market.

Jalan expects 80 per cent capacity utilisation of the facility over the next five years, which will contribute nearly ₹2,000 crore to the company's revenue.

The Chennai facility will produce 220,000 forged wheels per year, of which the national transporter's demand will be of around 80,000 wheels

"Today, we have an in-house team capable of designing and validating the complete undercarriage, LHB bogies, and Vande Bharat bogies for Indian Railways. We are further working on providing solutions for the complete undercarriage for high speed trains for the global platform. So that is the trajectory and our focus is to completely dominate this space," said Jalan.

The company, which is primarily a supplier of forged components, is also recalibrating its export strategy with a higher focus on European auto and rail, said Jalan, citing weak demand from America amid the tariff woes.

Ramkrishna Forgings reported consolidated revenue of ₹1,010 crore in the first quarter of the current financial year (Q1FY26), a 6 per cent growth over the previous year.

In the first quarter, the company had received new orders worth ₹660 crore, of which export orders were worth ₹502 crore and domestic orders worth ₹158 crore. The export orders were primarily in the commercial and passenger vehicle segments in Europe and America.

The company had faced pressure in the recent months owing to the volatile tariff situation between the US and India, but the concern regarding US is flattening demand in that economy rather than tariffs, Jalan said.

"Europe is really doing well for us. There is big talk about a free trade agreement, and with this coming into the picture, Europe will be a very big market for us. Today, it is almost 50 per cent of our North American revenue, and we are anticipating that in another year or two, it will grow bigger than North America," said Jalan.

M&M doubles vehicle dispatch by train; launches new Bolero range under ₹10 lakh

Aroosa Ahmed
Mumbai

Amid limited trailer availability to meet the heightened demand, Mahindra & Mahindra (M&M) has doubled its vehicle dispatches by train this festive season, said a top company official at the launch of the new Bolero range under ₹10 lakh in Mumbai.

"We kept the production operational at full speed and did not stop at any point in time. There is only a limited number of trailers available to us to transport vehicles...," said Nalinikanth Gollagunta, Chief Executive Officer – Automotive Division, M&M.

"We are working on it and increasing vehicle transport through trains, which relieved some stress. The proportion of trains has increased for us. The number of vehicles we are putting on trains has now doubled in the last three weeks, which is purely in the festive season," he added.

Bolero now has over 16 lakh customers, with a 55% urban and 45% rural sales mix

ROBUST INCREASE

The company has introduced the new Bolero at ₹7.99 lakh with its top-end variant priced at ₹9.69 lakh.

The Bolero Neo was launched at ₹8.49 lakh with its top variant at ₹9.99 lakh. M&M is witnessing a robust increase in demand post GST 2.0, with customers benefiting from the changes starting from September 6.

The company said Bolero has over 16 lakh customers. M&M further stated its new platform, NU IQ, which will provide increased capacity expansion, has assisted in price reductions.

The composition of the company's vehicle portfolio sales is 55 per cent urban and 45 per cent rural.

Mahindra & Mahindra, which has an 8 per cent penetration in electric vehicles, aims to further increase its penetration.

"Around 60 per cent of the electric vehicle volumes come from States where on-road EV pricing is in parity with ICE. GST might play up a little bit here and there, but the customers we are seeing are asking about the resale value, battery warranty and charging infrastructure," he said.

PRICING OUTLOOK

The firm "will remain vigilant on changing raw material prices and determine whether to increase vehicle prices next year".

Business Line, 8 October 2025

TSF Group looks to double business in 5 years

Sindhu Hariharan
Chennai

The TS Santhanam family companies, earlier a part of TVS Group and recently rebranded as the TSF Group, plan to more than double their business in the next five years. The TSF Group includes Sundaram Finance, Wheels India and Brakes India among other entities.

By 2030-2031, the TSF Group aims to double its manufacturing revenue from ₹16,000 crore to ₹32,000 crore with support from a planned capex of ₹2,500 crore. TSF also aims to grow the Sundaram Finance Group's assets under management from ₹1.5 lakh crore to ₹4 lakh crore.

The Sundaram Finance Group includes Sundaram Home Finance, Royal Sundaram General Insurance, Sundaram AMC and Sundaram Alternate Assets, besides Sundaram Finance.

Harsha Viji and Srivats Ram, senior leaders of the TSF Group, shared the growth roadmap in an exclusive interaction with journalists of *The Hindu* Group here on Tuesday.

GROWTH VISION. Harsha Viji (left), Executive Vice-Chairman of Sundaram Finance, and Srivats Ram, MD of Wheels India, at an interaction with journalists of *The Hindu* Group BIJOY GHOSH

The ₹30,000 crore group traces its lineage to the family of TV Sundaram Iyengar & Sons. It has three holding companies — Sundaram Finance, Sundaram Finance Holdings Ltd (a listed entity) and TSSFPL (Trichur Sundaram Santhanam Family Private Ltd). SF Holdings and TSSFPL together hold a controlling interest in most of the group companies. To align with the broader TSF identity, SFHL has been renamed TSF Investments Ltd.

FOCUS AREAS

Harsha Viji, Executive Vice-Chairman, Sundaram Finance, and Chairman, TSF Investments, said that their vision is to be the most respected NBFC in the country and for this they will look to drive growth, quality and profitability. "In the last 20 years, we have grown at a compounded annual growth rate (CAGR) of 16 per cent and we would like to accelerate this," he said, without offering a target rate. "Our benefit comes from the compounding effect."

Used-vehicle financing, wealth management business and the alternate assets business are among the high-growth segments.

MANUFACTURING BIZ

Srivats Ram, MD, Wheels India, said that opportunities for growing the manufacturing business are multi-fold. The growth of the economy and the localisation push will help drive the manufacturing economy, he said.

He was also bullish on the overseas markets despite all the geopolitical risks. The supply chain relationships between India and the US are too closely linked to be disrupted for long.

While there are no plans for inorganic growth on the financial services side, the TSF Group will tap joint ventures and acquisitions in the manufacturing segment. Investments in R&D and leveraging new-age technologies will be key drivers, the executives added.

Business Standard, 13 October 2025

Sona Comstar MD flags magnet quality issues under PLI scheme

DEEPAK PATEL
New Delhi, 12 October

Sona Comstar, one of India's leading auto component makers, has raised questions about the quality of rare earth permanent magnets (REPMs) that will be produced under the Ministry of Heavy Industries' (MHI) proposed production-linked incentive (PLI) scheme.

The company's Managing Director Vivek Vikram Singh, in a meeting held a few weeks ago with various stakeholders such as the MHI and the Department of Atomic Energy (DAE), requested the government to develop the testing infrastructure needed to ensure the quality of REPMs manufactured in the country under the proposed scheme. "During the meeting, Singh raised concerns about the quality of magnets that will be produced in India under the scheme," a source familiar with the matter said.

Sona Comstar, the MHI and DAE did not respond to queries sent by *Business Standard* regarding this matter till the time of going to the press.

Singh's remarks came after an executive from Indian Rare Earths Limited (IREL), during the meeting, pointed out that the grade and quality of rare earth elements available in India are lower than those in countries such as China. As a result, three additional refining steps are required when converting these elements into rare earth oxides, which increases production costs, the IREL executive said, according to another source.

IREL, which operates under the DAE, is the only entity in India that mines rare earth elements and refines them into rare earth oxides, the key raw material used to make REPMs.

The MHI's proposed PLI scheme focuses entirely on providing financial incentives—both capital subsidy and sales-based support - to winning bidders that set up manufacturing facilities capable of producing a total of 6,000 ton of REPMs per year.

To produce 6,000 ton of REPMs annually, the winning bidders will need 1,500 ton of rare earth oxides. IREL has informed the MHI that it can supply no more than 500 ton, meaning the remaining 1,000 ton will have to be sourced from abroad.

Business Standard, 13 October 2025

Robust volumes likely drove auto sector growth in Sep qtr

But margins may have lost traction due to higher discounts, ad spends

SOHINI DAS
Mumbai, 12 October

The automobile sector is expected to post revenue growth in the range of 9–12 per cent in the second quarter of the 2025-26 financial year, driven by strong volumes following GST reforms and improved realisations, according to analysts.

Earnings before interest, tax, depreciation and amortisation (Ebitda) growth is forecast at 10-11 per cent by most brokerages. Revenue growth would be underpinned by low-to-mid single-digit industry growth across two-wheelers, passenger vehicles (PVs), and commercial vehicles (CVs), complemented by double-digit gains in tractors.

Among segments, domestic tractor volumes rose 31 per cent year-on-year, CVs by 10 per cent and two-wheelers by 9 per cent, while PV volumes dipped marginally by 1 per cent. Analysts at Nuvama expect Ebitda growth of 10 per cent across their coverage universe. They remain positive on the auto space, citing the benefits of GST rate cuts, new product launches, the upcoming pay commission for government employees, and recent interest rate and income tax reforms. Maruti Suzuki India, TVS Motor, and Mahindra & Mahindra (M&M) are among their top picks.

Ebitda margins, however, are likely to ease in Q2. Axis Securities noted that higher discounts and advertisement spending are expected to compress margins, though this will be partly offset by a richer product mix, higher exports, and price increases implemented over the past year.

Uneven road
Auto companies' Q2 estimates

₹ crore	Net sales Q2FY26E	Change % Q-o-Q	Change % Y-o-Y	Ebitda Q2FY26E	Change % Q-o-Q	Change % Y-o-Y
Tata Motors	99,131	-5.1	-2.3	9,311	-4.2	-20.7
Maruti Suzuki India	39,988	9.2	12.5	4,385	-5.1	-17.4
Hyundai Motor India	17,645	9.1	4.0	2,370	8.4	7.5
Bajaj Auto	14,606	16.1	11.3	2,971	19.7	12.0
Hero MotoCorp	11,895	24.2	13.7	1,746	26.4	15.2
Ashok Leyland	9,578	10.3	9.7	1,128	16.4	25.4

Compiled By BS Research Bureau   Source: Bloomberg

Kotak Institutional Equities projects a 20 basis points (bps) year-on-year decline in Ebitda margins (excluding Tata Motors, margins would rise 30 bps year-on-year), driven by higher discounts, stepped-up marketing spends, and tariff-related pressures. Companies with overseas exposure are expected to post weaker results, it said.

Tractor growth has been buoyed by positive rural sentiment, with M&M's farm division revenue estimated to grow 28 per cent. Execution of infrastructure projects has boosted CV volumes by 10 per cent, with Nuvama expecting 11 per cent revenue growth for Tata Motors' CV division and 8 per cent for Ashok Leyland. Two-wheeler volumes increased 9 per cent year-on-year, with exports surging 30 per cent. Bajaj Auto and Hero MotoCorp revenues are likely to expand by 13 per cent in Q2.

In the PV segment, domestic volumes fell 1 per cent while exports rose about 18 per cent. Revenues for OEMs are expected to benefit from improved realisations, a stronger product mix, and progress in electrification. Nuvama expects M&M's auto division to post 17 per cent year-on-year revenue growth, followed by Maruti Suzuki at 7 per cent, and Tata Motors' PV division at 7 per cent.

Kotak Institutional Equities analysts expect Ebitda for Tata Motors' PV business to rise 18 per cent YoY, but they expect Jaguar Land Rover (JLR) to report a weak quarter, with Ebitda down 12 per cent due to US tariff headwinds and production disruptions from recent cyberattacks. Tata Motors' consolidated revenue is likely to edge down 2 per cent year-on-year, weighed by lower JLR volumes.

RESULT PREVIEW

Auto component makers are projected to post 8-15 per cent revenue growth. Kotak expects a 10 basis points Y-o-Y decline in Ebitda margins, citing an unfavourable product mix — particularly in batteries — alongside a weaker export mix in higher-margin segments and increased US tariffs.

"We expect Ebitda to grow 7 per cent Y-o-Y We also expect firms with exposure to the global automotive market to report weak numbers, given the tariff situation in the US," analysts at Kotak Institutional Equities noted.

Business Line, 14 October 2025

Hero MotoCorp enters Italy with Pelpi International distribution tie-up

Our Bureau
New Delhi

The country's largest two-wheeler maker Hero MotoCorp, on Monday, said that it has entered the Italian market through a distribution partnership with Pelpi International, and will be introducing Xpulse 200 4V, Xpulse 200 4V Pro and Hunk 440 to start with.

This expansion marks Hero MotoCorp's entry into its 49th international market, the company said in a filing to stock exchanges.

With two state-of-the-art R&D facilities in Germany and India, the company is committed to delivering future-ready, sustainable and smart mobility solutions that empower diverse rider preferences globally, it said.

"We aim to redefine 'The Future of Mobility' at a global scale with next-gen smart mobility solutions that cater to diverse riding preferences. With products that reflect both the explorer and liberator spirit, we are inviting Italian riders to experience limitless freedom and limitless adventure every day," Sanjay Bhan, Executive Vice-President, Hero MotoCorp, said.

DRIVING IN. This expansion marks Hero MotoCorp's entry into its 49th international market

SALES AND SERVICE

The distribution of products from Hero MotoCorp will be managed by Pelpi International, which is one of Italy's largest distributors offering two-wheeler sales, service and parts across Italy through a network of 160-plus dealers. Initial distribution of products from Hero MotoCorp will focus on key cities with 36-plus dealers, gradually expanding to 54, the company added.

"The Hunk 440 and Xpulse 200 fill crucial, highly competitive segments in Italy, offering a unique blend of technology and value that will resonate deeply with Italian consumers," Cesare Gali, Managing Director, Pelpi International, said.

Business Standard, 15 October 2025

DEMERGER IMPACT

Tata Motors PV unit valued at ₹1.45 trillion

SIRALI GUPTA
Mumbai, 14 October

The passenger vehicle (PV) business of Tata Motors, which also includes the electric vehicle and Jaguar Land Rover businesses, post-demerger is now valued at ₹1.45 trillion, almost 40 per cent below the pre-merger valuation, while its commercial vehicle (CV) entity, expected to list separately in about a month, is likely to have similar valuations.

Post-demerger, global financial services group Nomura set a target price of ₹365 for the CV business and ₹367 for the PV entity.

At close, Tata Motors (PV) shares were down 0.88 per cent at ₹395.5 per share on BSE. In comparison. Sensex ended 0.36 per cent lower at 82,029.98.

The PV unit also consists of Tata Sons (unlisted), Tata Steel and Tata Technology along with other investments.

Meanwhile, the CV entity will consist of the domestic CV business, Iveco business (acquisition to be completed in 2026) and the stake in Tata Capital.

Nomura expects momentum in the PV business to strengthen following the goods and services tax (GST) cut that came into effect on September 22, supported by festival and pent-up demand. Premiumisation remains a key theme, with robust bookings for compact and micro SUVs, such as Punch and Nexon. The newly unveiled Harrier electric vehicle has also drawn an encouraging initial response, with bookings surpassing early expectations.

For CVs, management expects industry growth of around 5 per cent in FY26F (implying circa 10 per cent growth in H2 FY26) aided by GST reduction. The Iveco acquisition is financed initially with €3.8 billion of debt and later 40 per cent equity. Nomura hasn't factored in any value creation from this deal yet. The company guides to a 5 per cent revenue compound annual growth rate and earnings before interest and taxes margin improvement from 5.4 per cent to 7.5 per cent over 2024-28E.

The demerger will also have implications for the firm when it comes to its position in indices. Nuvama Institutional Equities expect the CV business to get removed from the Nifty and the Sensex, while the PV unit will continue to be part of both indices.

ELECTRIC VEHICLES

Business Standard, 1 October 2025

Electric 2-wheeler registrations up 18% in H1FY26

SURAJEET DAS GUPTA
New Delhi, 30 September

Despite the crisis surrounding rare-earth magnets affecting the production of many players and leading to a sharp fall in sales of market leader Ola Electric, India's electric two-wheeler registrations have shown an 18 per cent increase in the first six months of 2025-26 (FY26) over the same period last financial year.

According to the Vahan data, the number of two-wheeler registrations hit 582,027 in April-September compared to 492,586 in the same period the previous year.

Industry experts say while Ola Electric, once the market leader, saw a sharp decline in its registrations in this period, the gap was more than made up by other key players — TVS, Hero MotoCorp, and Ather Energy. In the case of Ola Electric, its registrations sharply fell more than half — from 239,450 in April-September FY25 to 107,776 in the same period in FY26.

The big new player which has joined the party is Hero MotoCorp. Its registrations of the Vida in April-September zoomed 248 per cent to 71,969 vehicles as it pushed sales through discounts.

The others have also pushed the pedal. For instance, while Ather's registrations grew over 81 per cent, those of TVS were up 53 per cent in the first half of FY26 over the previous year.

In September this year, TVS strengthened its hold over the market with a 21.9 per cent share and now has top slot, wresting it from Ola, which held it last year in the same month.

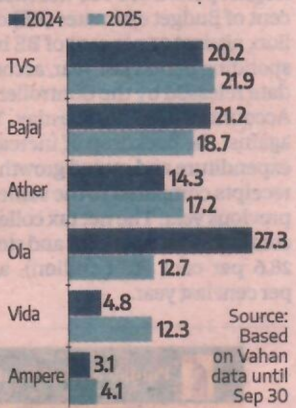
Ola, which controlled a 27 per cent share of the market in September last year, is now down to only 12.7 per cent and has been pushed back to fourth spot.

Hero MotoCorp, with the Vida, comes close with 12.3 per cent.

However, Bajaj continues to be in second slot with 18.7 per cent. Ather has 17.2 per cent as against 14.3 last September.

Holding ground

September market share (in %)



Business Line, 6 October 2025

Rare earth magnet scarcity triggers 75% fall in e2W registrations in Q2

Aroosa Ahmed
Mumbai

With just 35,908 electric two-wheeler registrations between July and September, the scarcity of rare earth magnets has slowed down the penetration of electric two wheelers in India. A 75 per cent year-on-year drop in electric two-wheeler registrations was recorded in Q2 between July and September.

According to Vahan data, which tracks vehicle registrations in the country, 1,44,000 electric two-wheelers were registered between July and September in 2024, as opposed to 35,908 during the same period in 2025.

PRODUCTION HIT

China imposed restrictions on the supply of rare earth magnets, impacting the production of electric vehicles in India. The estimated annual demand for rare earth magnets in the electric vehicle industry in India is 6,000 to 7,500 tonnes, with complete export dependence on China. Experts state that electric two-wheelers required 689.6 tonnes of magnets for 11,49,334 units sold in FY25, while passenger vehicles required 231.6 tonnes of magnets for 1,15,800 units sold in the same year.

Registrations down

	2024	2025
July	61,609	12,826
August	46,396	12,502
September	35,995	10,580

Source: Vahan

According to an SBI report in FY25, rare earth magnet imports at $291 million were the highest in the last four years. The import of rare earth magnets averaged $249 million in the last four years.

BUSINESS AT RISK?

Electric vehicle manufacturers flagged that with the rare earth magnet issue continuing, production of electric two-wheelers would be hit from July.

With the largest market share in electric two-wheelers, Bajaj Auto pointed out that the delay in the procurement of rare earth magnets would lead to the postponement of new launches and put the electric vehicle business at risk.

The company stated that while up to 60 per cent planned production would resume in August, the entire supply chain is expected to stabilise in six to nine months.

"In FY25, India imported approximately $200 million worth of these magnets for both automotive and non-automotive applications, with around 85 per cent of the total sourced from China. While the trade value may appear modest, the strategic dependence it reflects is anything but. The supply uncertainty has cast a shadow on production planning. The dependence on China for these specialised materials could upend the automobile sector, particularly the fast-growing electric vehicle segment," said Jitin Makkar, Senior Vice-President and Group Head – Corporate Ratings, ICRA Ltd.

To reduce dependence and ramp up production, original equipment manufacturers have now switched to rare earth magnet alternatives, including moving towards light rare-earth magnets and developing component systems free from rare earth magnets.

Business Line, 7 October 2025

EV penetration could slow with GST cut on ICE vehicles: Mercedes-Benz

Aroosa Ahmed
Mumbai

Luxury carmaker Mercedes-Benz said EV penetration could slow down with the GST reduction on internal combustion engine (ICE) vehicles. It recorded sales of 5,119 units in Q2FY25-26 with highest-ever September sales.

The company, which has the largest market share in the luxury car segment, retailed 2,500 units during Navratri.

The Born Electric Vehicle (BEV) penetration is now at 8 per cent. Earlier, it was 4 per cent.

"What we are observing now is that there may be a bit of a slowdown on EVs as well because the GST on combustion engines has come down by 6 per cent. Entry-level segment EVs in the luxury car space used to have a good acceptance because of the low sub ₹50 lakh price point; today, the combustion, the GLA for example, has come down from ₹51 lakh to ₹49 lakh. The TCO is very strong on a combustion engine. There are some States that are withdrawing incentives on road tax on EVs. Collectively this could impact the electric vehicles. We have to wait and watch as the consumer will decide in the end," Santosh Iyer, Managing Director & CEO, Mercedes-Benz India, told *businessline*.

The carmaker is anticipating the sales growth momentum to continue. "After August 15, we could see a slowdown and all of this culminated in a rally from the Sept 22... we also launched a very innovative campaign, Dream Days; a customer can avail smart financing. We have come up with products where once a year your EMI will increase. This is the time when you get a bonus or you get a dividend payout, so that you can actually pay lower EMIs during the year, and then one month in the year you can pay higher. We have close to 2,000 orders in the system. I think Diwali and Dhanteras should be fine. There is also the marriage season up north in November. That should take care of the momentum," he said.

The Economic Times, 9 October 2025

'Retail Electric Car Sales Double in Sept'

PTI

New Delhi: Electric car retail sales zoomed over two-fold in September with Tata Motors leading the segment with registrations of 6,216 units, according to the data shared by dealers' body FADA.

Overall electric passenger vehicles sales rose to 15,329 units last month as compared with 6,191 units in the year-ago month.

Tata Motors retailed 6,216 units, an increase of 62% as compared with 3,833 units in September 2024.

JSW MG Motor registered 3,912 units last month, an increase of over three-fold as compared with 1,021 units in the year-ago period.

Overall electric passenger vehicle sales jumped to 15,329 units last month from 6,191 a year ago

Mahindra & Mahindra sold 3,243 units in September as against 475 units in the year-ago period.

It was followed by BYD India with 547 units; Kia India with 506 units; Hyundai Motor India with 349 units; BMW India with 310 units and Mercedes-Benz India with 97 units.

Besides, Tesla India also pitched in with retail sales of 64 units last month.

Two-wheeler retail sales rose to 1,04,220 units in September as compared with 90,549 units, an increase of 15%.

In the segment, TVS Motor led the space with retail sales of 22,509 units. It had sold 18,256 units in the year-ago period.

Bajaj Auto and Ather Energy took second and third positions with retail sales of 19,580 units and 18,141 units, respectively, last month. Ola Electric was at fourth position with 13,383 units followed by Hero MotoCorp with registrations of 12,753 units in September.

Business Standard, 13 October 2025

Tesla, VinFast make quiet start in India's EV mkt

SURAJEET DAS GUPTA
New Delhi, 12 October

After months of anticipation surrounding their entry into India, global electric vehicle makers Tesla and VinFast have made a quiet debut, at least in terms of registrations on the government's Vahan portal. Elon Musk's Tesla, which opened two company-owned showrooms — one in Mumbai and the other in Delhi — and began sales on July 15, registered just 69 vehicles in September. In October so far, only 11 Teslas have been registered.

By comparison, total electric passenger car sales in September stood at 15,247 units, while 5,538 electric cars have been registered to date in October.

Tesla reportedly received orders for about 600 cars, even though its import quota for the year was set much higher — around 2,500 vehicles. The company launched its Model Y, priced between ₹60.99 lakh and ₹75.61 lakh on-road, depending on the variant. That's nearly double its price in key markets: The Model Y sells for roughly ₹35.3 lakh in the US and ₹32.7 lakh in China. Analysts say this steep price differential has been a significant drag on sales.

Time for reboot

Company	Sep	Oct*
Tesla India	69	11
Vinfast	6	39
Volvo	24	4
Kia	512	222
BYD	564	189
BMW	319	76

*The list figures companies that sold fewer than 1,000 cars during period under review

Source: Vahan

Vietnamese automaker VinFast also entered the Indian market recently with an aggressive pricing strategy. The company began selling its VF 6 and VF 7 electric SUVs in September. It registered just six vehicles that month but appears to have gained traction in October, with 39 registrations so far.

The VF 6, a compact five-seater SUV, starts at ₹16.49 lakh, while the VF 7 is priced at ₹20.89 lakh. With these prices, VinFast is positioning itself directly against mass-market electric offerings such as the Tata Nexon EV (₹14.56–18.60 lakh) and the MG ZS EV (₹19–21 lakh).

VinFast has taken swift steps toward local manufacturing. The company recently inaugurated an EV production facility in Thoothukudi, Tamil Nadu, with an annual capacity of 50,000 units, scalable up to three times that number. Tesla, by contrast, continues to import its vehicles from China and has yet to announce any plans to assemble or manufacture in India.

In September, Tesla and VinFast accounted for less than 0.5 per cent of all EV registrations. Their combined share has edged up to 0.9 per cent so far in October.

Still, Tesla's initial performance has outpaced Volvo, which registered only 30 electric vehicles across September and October. Volvo's electric range, priced between ₹41 lakh and ₹59 lakh, overlaps with Tesla's Model Y, which faces stiff competition from rivals such as BYD's Sealion 7, Kia's EV6, and the Volvo XC40.

TRACTOR

The Times of India, 11 October 2025

Rural demand revs up: Tractor sales at new high

In A 1st, Sales Cross 5L Mark In H1 Of Fiscal On Back Of Rains, Higher MSP & GST Rejig

G.Balachandar
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Chennai: With a host of favourable factors driving demand, tractor volumes hit a historic high this Sept, and total domestic sales surpassed the half-a-million mark in the first half of the fiscal year for the first time.

Domestic tractor sales stood at 1,46,180 units in Sept, compared with 1,00,542 units in Sept 2024, marking an increase of 45%. On a sequential basis, Sept sales more than doubled from 64,322 units in Aug 2025, according to data from the Tractor and Mechanisation Association.

"Sept's record sales of over 1.5 lakh tractors were driven by a combination of factors — a good monsoon, increased kharif crop sowing, and higher minimum support prices for key crops, resulting in higher farm incomes. Sales following the GST 2.0 implementation, which took effect on Sept 22, and festive buying during Navaratri further boosted volumes," said Poonam Upadhyay, director, Crisil Ratings. Overall, rural demand is trending upward, although it varies by region due to local flooding and changes in crop patterns.

Has the GST rate cut played a part as well?

"Yes, it served as a catalyst rather than a fundamental driver," she said, adding, "Tractors, excluding those with an engine capacity over 1,800cc, are now subject to a 5% GST rate, down from the previous 12%, and the GST rate on parts has also been reduced from 18% to 5%. As most models fall within this category, affordability has seen a modest improvement, leading to some pre-purchase activity."

However, industry representatives point out that the impact of the GST rate cut is largely a short-term boost rather than a sustained improvement.

For the half-year ended Sept 30, 2025, total domestic tractor volumes stood at 5.61 lakh units, compared with 4.72 lakh units in H1 of FY25, registering a growth of 19%.

Top tractor maker Mahindra & Mahindra reported a 50% and 20% increase in its domestic volumes for Sept and the H1 period, respectively. Escorts Kubota saw its Sept and H1 domestic volumes and exports grow 48.5% and 13%, respectively. Sonalika Tractors said it clocked its highest-ever monthly sales (including exports) in Sept.

RECORD 1.5L SALES IN SEPT

Period	Volumes (in Lakhs)
FY20	7
FY21	9
FY22	8.4
FY23	9.5
FY24	8.8
FY25	9.4

Source: Tractor and Mechanization Association (TMA)

RECORD HALF YEAR - DOMESTIC TRACTOR SALES

Period	Domestic Tractor Sales (Volumes in Lakhs)
H1 FY26	5.6
H1 FY25	4.7

Source: TMA

1 out of every 4 cars will be an EV: BMW

New Delhi: BMW has scored big in the electric vehicles segment and has achieved a 21% share of greens in its total sales, against the national average of around 5% in the broader passenger vehicles industry. The company, which has six electrics in its portfolio, says that EVs will continue to see strong momentum, and will reach a share of 30% to its total sales by 2027. "In our future launches, one out of every four cars will be an EV," BMW India president & CEO Hardeep Singh Brar said as the company announced a 13% growth in overall sales in the nine months of this calendar year at 11,978 units, which is its highest-ever number in the period. Led by iX1, the company has been witnessing strong demand for its electrics. The company sold 2,509 electric BMWs and MINIs in the nine-month period, with a growth of 246% year-on-year. TNN

Metal Cos may Not Shine Well at the Ferrous End

Falling prices may affect iron/steel firms, while non-ferrous cos may gain from aluminium, zinc and copper rebound

Sachin Kumar

ET Intelligence Group: Metal producers are expected to deliver a mixed performance in the September quarter. Ferrous companies are likely to report weaker margins amid falling steel prices and higher raw material costs. On the other hand, non-ferrous producers are expected to post stronger earnings on the back of a rebound in prices of aluminium, zinc and copper.

Earnings Preview

Domestic hot-rolled coil (HRC) prices declined by ₹2,200 per tonne quarter-on-quarter to ₹49,500 per tonne in the second quarter of the current fiscal year, primarily driven by seasonal weakness, according to Motilal Oswal Financial Services. Average primary rebar prices fell by ₹7,300 per tonne sequentially to ₹48,000 per tonne due to muted construction demand amid the heavy monsoon season. "We expect realisations of ferrous companies to dip sequentially by ₹2,500-3,000 per tonne for the September quarter," said the broker in a report.

During Q2FY26, domestic steel prices decreased by ₹2,223 per tonne due to slowdown in the consuming sectors amid seasonality which will impact margins. Kotak Institutional Equities estimates margins for steel companies to sequentially decrease by ₹2,800 per tonne on average in the second quarter.

Elara Capital expects operating margin before depreciation and amortisation (Ebitda margin) to contract for majority of the steel makers. "Ebitda per tonne for most firms in Elara Steel universe should contract sharply, plunging around ₹1,215-6,700 sequentially except for Tata Steel, which may report an improvement of around ₹250 in Ebitda per tonne," the broking firm noted in a preview report.

Steel companies also faced higher input cost during the quarter as average coking coal prices increased by 4% sequentially, while domestic iron ore prices increased by 2% to an average of ₹7,504 per tonne.

In contrast to the ferrous metal producers, non-ferrous metal companies are likely to post stronger earnings, supported by higher global prices during the quarter. Prices of aluminum, zinc, and silver rose by 19%, 7.7%, and 7.5% from the previous quarter, respectively in US dollar terms aided by a weaker greenback, according to Kotak Institutional Equities.

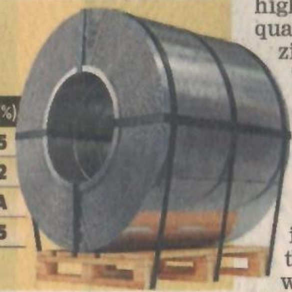
Aluminium prices improved in the September quarter even though raw material prices were lower—spot alumina price fell to $336 per tonne from a peak of $660 per tonne in the March quarter while Richard Bay Index, a key indicator of thermal coal prices moderated to at 85 from 90 in the previous quarter. This is expected to improve Ebitda margins of the non-ferrous producers for the September 2025 quarter, noted JM Financial Institutional Securities in a report.

Earnings Scorecard

September 2025 quarter estimates for metal cos (₹ cr)

	Revenue	YoY chg (%)	Net Profit	YoY chg (%)
Tata Steel	3,82,797.3	**-28.4**	2,989.1	**550.5**
JSW Steel	3,22,095.3	**-18.8**	1,573.5	**126.2**
SAIL	1,74,631.7	**-24.2**	-241.9	**NA**
Hindalco	3,29,026.0	**47.8**	3,522.9	**-538.5**

Data based on average of the estimates by three brokers



GOVERNMENT POLICY

Business Line, 1 October 2025

Govt extends export benefits under RoDTEP scheme till March 2026

Press Trust of India
New Delhi

The government on Tuesday announced the extension of fiscal benefits under the RoDTEP scheme for exports for six more months till March 2026.

The scheme ended on September 30 this year.

The scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) provides for the refund of taxes, duties and levies, which incurred by exporters in the process of manufacturing and distribution of goods and not being reimbursed under any other mechanism at the Centre, State, or local level. Launched in January 2021, the scheme was valid till September 30.

The Directorate General of Foreign Trade (DGFT), in a notification, said exporters of Advance Authorisation (AA) holders, Export Oriented Units (EOUs) and entities in the Special Economic Zones (SEZs) will also avail the scheme benefits till March next year.

"The RoDTEP scheme stands extended and shall be applicable for eligible exports from domestic tariff area, AA, SEZ and EOU units up to March 31, 2026," it added.

APPLY FOR ALL ITEMS

The revised rates under the scheme will continue to apply for all export items, it said. The rates of refund of taxes range from 0.3 per cent to 3.9 per cent.

Federation of Indian Export Organisations (FIEO) President SC Ralhan saidthat the timely extension has removed the uncertainty, which was weighing on the exporting community.

The Economic Times, 6 October 2025

KAUTILYA ECONOMIC CONCLAVE

'China Can Import More if India Is Open to it'

Anoushka Sawhney & Deepshikha Sikarwar

New Delhi: China can import more from India if the latter is more open to Beijing, said Liqing Zhang, Director at the Centre for International Finance Studies in Beijing, while underlining that greater collaboration in trade and investment could benefit both countries.

Liqing told **ET** on the sidelines of Kautilya Economic Conclave that India's potential entry into the RCEP (Regional Comprehensive Economic Partnership) could make its goods more competitive than others as the tariffs on manufactured goods within the block are set to fall to zero within a decade.

"I think that China can certainly import more from India if India is more open to China," he said, expressing hope that both sides can understand each other to solve the traditional border issue.

India's exports to China fell 14.4% to $14.3 billion in FY25 from $16.7 billion in FY24. While imports from China grew 11.5% to $113.4 billion from $101.7 billion over the same period.

"The RCEP has already been there for a couple of years, but unfortunately, India did not join us. Maybe in the future, India can reconsider this policy," said Liqing.

New Delhi withdrew from RCEP negotiations in 2019.

I think China would be happy if India joined the RCEP. We could have more integration in trade, and the bilateral trade will increase very fast

LIQING ZHANG

Director, Centre for International Finance Studies, Beijing

"I think China would be happy if India joined the RCEP. We could have more integration in trade, and the bilateral trade will increase very fast," he added.

On investment, he said Chinese companies can set up branches and factories in India.

India's strong service sector and tourism potential also offer opportunities for Chinese investment and increased tourism, thereby leading to growth on both sides.

"China and India are large economies, although there is still a gap between them, India has the most economic growth," said Zhang. "China's growth rate is not so high now, but I think a 5% rate is sustainable."

China's gross domestic product (GDP) growth slowed to 5% in 2024 from 5.4% in 2023, according to the data from the World Bank.

India's GDP surged to a five-quarter high of 7.8% in the April-June period. In FY25, the growth was 6.5%.

Liqing noted that the world was faced with challenges such as protectionism, mainly triggered by the United States, and its reciprocal tariff, which will have an impact on economic growth. "I think both China and India will get affected by these shocks," he said. India has been hit with a 50% tariff by the US, while it is 30% for China.

At the same time, technological advances such as Artificial Intelligence and green transformation initiatives, which will drive investment up in this area will lead to economic growth, he added.

AI will play a very significant role, he noted. "I think in the short run (it will) maybe combined with some challenges. But in the long run, I think it will provide more productivity. It means more efficient, higher outcome".

CHINA'S & CONSUMPTION

China is in the process of transformation by making economic growth rely more on consumption rather than exports and investments, which have driven growth for decades, as global trade faces uncertainty due to US tariffs, he explained.

"We are trying to make consumption the most important economic growth engine." China plans to deploy more active fiscal policies, he added.

"It will take time, but eventually, we will succeed," Zhang said.

Household consumption accounted for 39.6% of China's GDP in 2023, lower than the global average of 56%.

Business Line, 9 October 2025

India develops into a key growth engine while China decelerates steadily, says IMF chief

Shishir Sinha
New Delhi

India has emerged as a key growth engine, Kristalina Georgieva, Managing Director of the International Monetary Fund (IMF), said on Wednesday. She also noted the high US tariffs applied to India.

"Global growth patterns have been changing over the years, notably with China decelerating steadily while India develops into a key growth engine," Georgieva said in her curtain-raiser speech for the Annual Meetings. This remark comes at a time when almost all agencies have revised India's growth estimates to a range of 6.5-6.9 per cent for the current fiscal year, although some have lowered the growth projection to between 6.3 per cent and 6.5 per cent for the next fiscal year.


IMF Managing Director Kristalina Georgieva

The Annual Meetings of the World Bank Group (WBG) and the IMF will take place from October 13 to October 18. The World Economic Outlook will be released during the meeting.

According to Georgieva, global growth is forecast at roughly 3 per cent over the medium term—down from 3.7 per cent pre-pandemic.

US TARIFFS

Talking about US tariff action, the IMF MD said that the US trade-weighted tariff rate has fallen to 17.5 per cent now from 23 per cent in April, yet it remains much higher than before. The effective rate is now far above the rest of the world's, which has held relatively steady this year, with very few cases of retaliation. "In short, the world has avoided a tit-for-tat slide into trade war—so far. But openness has nonetheless taken a big hit. And the story is not over—US tariff rates keep moving," she cautioned.

"Trade deals with the UK, the EU, Japan and soon Korea have nudged some rates down while disputes with Brazil and India have pushed others up," she explained. Furthermore, the rates of other countries are also likely to change.

Georgieva cautioned that global resilience has not yet been fully tested. "And there are worrying signs the test may come. Just look at the surging global demand for gold." Spurred by valuation effects and net purchases—partly reflecting geopolitical factors—holdings of monetary gold now exceed one-fifth of the world's official reserves.

"On tariffs, the full effect is still to unfold. In the US, margin compression could give way to more price passthrough, raising inflation with implications for monetary policy and growth," she concluded.

The Economic Times, 10 October 2025

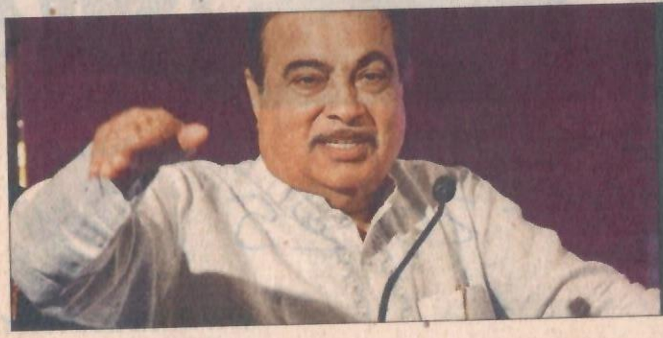
Govt Building 25 Greenfield Expressways to Cut Logistics Costs: Gadkari

Our Bureau

New Delhi: The government is constructing 25 greenfield expressways, totalling 10,000 km across the country, at a cost of Rs 6 lakh crore, road transport and highways minister Nitin Gadkari said on Thursday.

Addressing the 120th annual session of PHDCCI, Gadkari further said the highways ministry will get Rs15 lakh crore if it monetises its road projects.

Gadkari said the construction of expressways and economic corridors has helped reduce the country's logistics costs to 10% from 16% earlier.



India's logistics cost will come down to 9% by December, which will help India become more competitive

NITIN GADKARI
Minister, Road transport and highways

"India's logistics cost will come down to 9% by December, which will help India become more competitive," he said. Logistics costs are 12% in the US, 12% in European countries and 8%-10% in China.

Talking about India's automobile sector, the minister said, "Within five years, our target is to make India's automobile industry the number 1 in the world".

"When I took charge as transport minister, the size of the Indian automobile industry was ₹14 lakh crore which has grown to Rs 22 lakh crore now," he said.

Gadkari said the automobile sector provides jobs to 4 lakh youths and provides the highest GST to the centre and states.

Presently, the size of the US automobile industry is ₹78 lakh crore, followed by China (₹47 lakh crore) and India (₹22 lakh crore).

He noted that India's dependence on fossil fuels is an economic burden, as ₹22 lakh crore is spent annually on fuel imports and is an environmental hazard, making the adoption of clean energy crucial for the country's progress.

The minister said there is a need to focus on agriculture to boost India's GDP growth.

Talking about the progress on construction of the Zojila tunnel, Gadkari said 75-80% of the work on the strategic Zojila Tunnel, which will provide all-weather connectivity between the Ladakh region and the rest of the country, has been completed.

The Economic Times, 13 October 2025

US Threatens Sanctions Over Global Shipping Carbon Tax

US warns countries backing IMO carbon plan may face sanctions, port bans, and visa restrictions

Washington: The United States on Friday warned it may impose sanctions and other punitive measures on any country that votes in favour of a carbon tax on maritime transport, to be implemented through a United Nations agency.

"We will fight hard to protect our economic interests by imposing costs on countries if they support" the Net Zero Framework, said a joint statement by US Secretary of State Marco Rubio and his counterparts at the departments of Energy and Transportation.

Members of the London-based International Maritime Organization (IMO) are scheduled to vote next week on the adoption of the Net Zero Framework (NZF), aimed at cutting global carbon emissions from the shipping sector.

Washington, however, described the proposal as imposing "a global carbon tax on the world."

Since returning to power in January, US President Donald Trump has reversed Washington's climate policies, denouncing them as a "scam" and promoting fossil fuel use through deregulation.

In the statement, Rubio, Energy Secretary Chris Wright, and Transportation Secretary Sean Duffy said the Trump administration "unequivocally rejects" the NZF proposal.

They warned of a range of potential measures against countries that vote in favor, including visa restrictions, blocking vessels registered in those countries from US ports, imposing commercial penalties, and considering sanctions on officials.

"The United States will be moving to levy these remedies against nations that sponsor this European-led neocolonial export of global climate regulations," the statement added. **AP**

Scavino to Lead White House Personnel

Washington: US President Donald Trump on Sunday appointed Deputy Chief of Staff Dan Scavino to lead the White House Presidential Personnel Office. Scavino succeeds Sergio Gor, confirmed by the Senate as the next US Ambassador to India and currently on a six-day visit. Trump announced the appointment on Truth Social: "I am pleased to announce that the great Dan Scavino, in addition to remaining Deputy Chief of Staff, will head the White House Presidential Personnel Office, replacing Sergio Gor, who did a wonderful job and will now become Ambassador to India." **AP**

The Economic Times, 13 October 2025

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