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Key Press Reports on Industry and Govt. Policies
(2nd Fortnight May 2026)

AUTOMOTIVE INDUSTRY

Business Line, 18 May 2026

Auto exports rise 38%, driven by gains in emerging markets

IN TOP GEAR. Growth visible across PVs, motorcycles, scooters and three-wheelers

S Ronendra Singh
New Delhi

Even as global trade remains clouded by tariff tensions, slowing consumption and geopolitical uncertainty, India's automobile exporters appear to have found a rare pocket of resilience.

April's sharp 38 per cent jump in vehicle exports suggests Indian automakers are increasingly turning overseas markets into a key growth lever at a time when domestic demand across segments remains patchy.

What makes the trend particularly significant is the breadth of the recovery. Growth was visible across passenger vehicles, motorcycles, scooters and three-wheelers, indicating that the momentum is not confined to a single category or market.

Industry executives said Indian manufacturers are benefiting from stabilised supply chains, competitive pricing and rising demand for fuel-efficient vehicles in cost-sensitive economies across Africa, Latin America and parts of Asia.

EXPORT SURGE. Two-wheelers emerged as the standout performer, with motorcycle exports rising over 36 per cent y-o-y to more than 4.26 lakh units in April REUTERS

GLOBAL REACH

Two-wheelers emerged as the standout performer, with motorcycle exports rising over 36 per cent year-on-year (y-o-y) to more than 4.26 lakh units in April. The surge underlines the growing global reach of firms such as Hero MotoCorp, Bajaj Auto and TVS Motor Company, which have steadily expanded distribution networks in emerging markets where affordability and fuel efficiency remain critical purchase drivers.

The strong export performance also signals a strategic shift underway in the industry. After years of relying predominantly on the domestic market, automakers are now attempting to build export buffers to offset cyclical slowdowns at home.

Executives said overseas markets are likely to remain a crucial growth avenue in FY27, especially as companies push deeper into newer geographies and premium product segments. "While the current macro environment is uncertain, the demand for our products remains intact across key markets, providing us confidence to recover export volumes as the market conditions improve. Even in an extremely uncertain environment, we are determined to go the extra mile and deliver volume growth of 8-10 per cent in exports as well in FY27," said Tarun Garg, Managing Director and Chief Executive Officer, Hyundai Motor India.

HMIL is the manufacturing hub for many emerging markets, exporting over 3.9 million vehicles to 150 countries cumulatively, he informed, adding that the top five countries include Mexico, Saudi Arabia, South Africa, Chile and Peru. The top models for exports include Verna, Nios, Aura, i20, New Venue and Alcazar.

For Maruti Suzuki India, too, exports saw a growth of around 43 per cent y-o-y to 39,638 units in April compared with 27,729 units in the same month last year, according to the latest monthly report shared by the Society of Indian Automobile Manufacturers.

Bajaj Auto, the largest two-wheeler exporter, said markets such as Nigeria and Latin America are its volume drivers. Going forward, it expects the momentum to continue. The company exported 2,29,890 units of two-wheelers in April, up 78 per cent y-o-y compared with 1,29,322 units in April 2025.

"Our wide retail distribution footprint has given us a strong competitive edge, enabling us to maintain an overwhelming market share of 50 per cent in retail terms [in Nigeria]. Latin America continues to outperform, delivering sustained growth for 11 consecutive quarters now and reporting another all-time high performance, driven by strong growth in almost each and every country. The region remains a key driver of our export performance in terms of volume, revenue and EBITDA," said Rakesh Sharma, ED, Bajaj Auto.

Business Standard, 19 May 2026

MSIL starts production at Kharkhoda facility's 2nd unit

DEEPAK PATEL
New Delhi, 18 May

Maruti Suzuki India Ltd (MSIL), the country's largest carmaker, on Monday announced the commencement of commercial production at the second unit of Kharkhoda manufacturing facility in Haryana.

The second unit has an annual manufacturing capacity of 250,000 units. The first unit, which can produce 250,000 units per year, had started production in February last year.

MSIL now has a total annual manufacturing capacity of 2.65 million units spread across its four plants. Its Gurugram plant can annually produce 500,000 units, Manesar plant can do 900,000 units, Hansalpur plant can churn out 750,000 units, and Kharkhoda plant can push out 500,000 units, the company stated.

"Once fully operational, the Kharkhoda facility will be among Suzuki's largest four-wheeler manufacturing locations with capacity to produce 1 million vehicles per annum," it mentioned.

Currently, only two MSIL models — Brezza and Victoris — are produced at the Kharkhoda facility.

Earlier this year, MSIL had talked about its plan to add 500,000 units of annual capacity in 2026-27 (FY27).

On April 28, MSIL Chairman R C Bhargava had said the company's growth was being constrained by manufacturing capacity rather than demand, with factories operating at full utilisation amid a large order backlog.

Speaking during the company's FY26 post-results interaction, Bhargava had said MSIL's growth was "more or less determined by our ability to add capacity and continue to run at 100 per cent".

He'd added that the company was operating with "very low inventories" while pending bookings remained high.

Business Standard, 20 May 2026

Bharat Forge to build India's first pvt MGT facility in AP

MARTAND MISHRA
New Delhi, 19 May

Bharat Forge will establish India's first private sector marine gas turbine (MGT) repair, overhaul, and indigenous development facility in Andhra Pradesh after it signed a Memorandum of Understanding with the state government on Monday, according to a company statement.

The agreement was signed by Guru Biswal, chief executive officer, Aerospace division, Bharat Forge Ltd, in the presence of Defence Minister Rajnath Singh and Andhra Pradesh Chief Minister N Chandrababu Naidu during the aerospace and defence investment conclave at Puttaparthy.

The facility will be set up over nearly 80 acres within the Andhra Pradesh Defence Manufacturing Corridor, and will be developed through Bharat Forge's aerospace division and co-located with the Naval Dockyard, INS Eksila, and the Eastern Naval Command headquarters.

According to the statement, the project will be implemented in two phases: The first phase will establish an MGT repair and overhaul complex with hot section restoration capabilities for blades, vanes and combustion liners and component manufacturing in the facility. It will restore engine components that operate under extreme heat and pressure inside gas turbines and are essential for generating thrust to propel warships.

The second phase will include the MGT development and assembly hall and a hot test cell to test and validate engines. It will help test and validate engines of different categories before deployment on naval platforms.

"Warships can be propelled by different systems, including diesel engines, gas turbines and electric propulsion, depending on the design of the ship. Developing indigenous MGT repair, overhaul and manufacturing capability is important for India as it supports Aatmanirbhar Bharat and will significantly enhance the Indian Navy's operational and maintenance capabilities," said Sarabjeet Singh Parmar, retired Navy Captain and distinguished fellow at New-Delhi based think tank, United Service Institution of India.

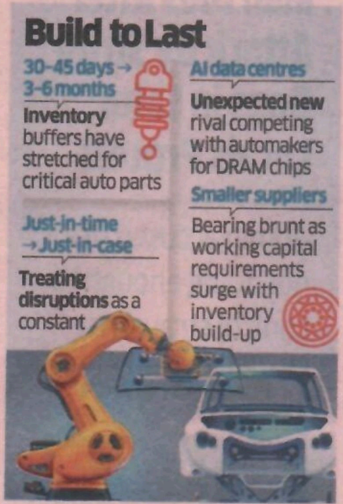
The Economic Times, 22 May 2026

SHIFTING TO A DEFENSIVE APPROACH

Automakers Remodel Supply Chain Strategy

Cos hold on to critical parts for longer period, bolster contingency plans

Shally Seth Mohile



Mumbai: Critical auto component inventories that were once held for 30-45 days are now being stocked for three to six months, as India's carmakers abandon the industry's long-standing "just-in-time" model for a more defensive "just-in-case" approach. The shift reflects a new operating reality: supply-chain disruptions are no longer a single crisis to be managed but a permanent condition to be planned for.

The convergence of disruptions such as geopolitical tensions that choke vital shipping routes, persistent constraints in semiconductor supplies amid the AI boom and protective policies towards critical minerals has forced the country's largest passenger vehicle manufacturers to redraw their supply-chain strategies. The impact extends all the way down to cash-strapped small suppliers.

Mahindra & Mahindra has increased inventory buffers, diversified suppliers and is watching for potential disruptions in real time, while Maruti strengthened contingency planning with suppliers and Hyundai Motor India is intensifying localisation and value engineering efforts, their executives said during recent earnings calls. Tata Motors told ET that it focuses on localisation and supplier diversification, and maintains "selective buffers" for critical components.

"Shortages of critical parts can lead to production outages, the costs of which would hugely outweigh the additional costs of inventory," said Ashim Sharma, senior partner at Nomura Research Institute. "We also saw a similar thing play out with rare earths in different parts of the globe with stockpiles coming in handy."

Rare earth restrictions, chip shortages, West Asia crisis—each disruption creates ripple effects across logistics, raw materials and production, said industry executives.

Tata Motors told ET that it focuses on localisation and supplier diversification, and maintains "selective buffers" for critical components

"You simply cannot predict the next crisis," said Prasanth Doreswamy, president and CEO at AUMOVIO India (formerly Continental Automotive) that supplies safety, electronics and mobility solutions to automakers such as Mahindra, Tata Motors and Maruti Suzuki.

Customers are demanding larger inventory reserves for critical parts, he said, "because one disruption inevitably triggers many more".

Business Line, 21 May 2026

Maharashtra tops vehicle sales in FY26, UP leads in two-wheelers

POLICY BOOST. PV growth was driven by GST 2.0, tax relief and lower loan costs due to repo rate cuts: SIAM

S Ronendra Singh
New Delhi

Maharashtra has recorded the highest passenger vehicle (PV) sales in the country with 5.64 lakh units in FY26 with 12.1 per cent market share and Uttar Pradesh led in the two-wheeler segment with 31.8 lakh units sales during the year with a 14.7 per cent share, said the Society of Indian Automobile Manufacturers (SIAM) on Wednesday.

The data shared by the industry body on State/ Union Territories (UTs)-wise vehicle sales in FY26 also indicated that in the PV sales too, Uttar Pradesh was second with 10.6 per cent, followed by Gujarat at 8 per cent, Karnataka 7.1 per cent, Tamil Nadu 6.8 per cent and Haryana with 6.7 per cent of total PVs sold. According to SIAM, the robust performance of PVs in FY26 was supported by improved affordability following the GST rate reduction, enhanced purchasing power from personal income tax relief and lower financing costs due to successive repo rate cuts by the RBI.

Demand hubs

(units)

PVs		CVs		3Ws		2Ws	
Maharashtra	5,63,845	Maharashtra	1,61,482	Uttar Pradesh	98,844	Uttar Pradesh	31,79,361
Uttar Pradesh	4,91,976	Gujarat	92,064	Gujarat	89,243	Maharashtra	24,55,173
Gujarat	3,70,729	Tamil Nadu	90,333	Maharashtra	88,796	Tamil Nadu	17,52,543
Karnataka	3,31,528	Uttar Pradesh	89,066	Karnataka	66,876	Gujarat	15,68,978
Tamil Nadu	3,17,215	Karnataka	76,262	Bihar	57,936	Karnataka	13,64,942

2-WHEELER SALES

In the two-wheeler segment, after UP, Maharashtra was the highest-selling market with 11.3 per cent, followed by Tamil Nadu with 8.1 per cent, Gujarat with 7.2 per cent and Karnataka with 6.3 per cent, it said.

Similar to PVs, the implementation of GST 2.0 spurred growth in two-wheeler sales both in Q3 and Q4 of FY26, SIAM had said earlier in its annual sales report. While H1 growth was flat at sub-1 per cent, H2 posted growth of about 21.5 per cent compared to the previous H2, it added. In the three-wheeler segment too, UP recorded the highest sales with 99,000 units and 11.8 per cent of the total sales of 8.36 lakh units during FY26.

It was followed by Gujarat with 10.7 per cent, Maharashtra with 10.6 per cent, Karnataka with 8 per cent and Bihar with 6.9 per cent.

CV SALES

In the commercial vehicle (CV) segment, the SIAM data indicated that in FY26, 10.80 lakh CVs were sold in the country, and here too, Maharashtra recorded the highest sales with 1.61 lakh units or 15 per cent of the total sales. Gujarat was next with a share of 8.6 per cent, followed by Tamil Nadu with 8.6 per cent, UP with 8.4 per cent, and Karnataka with 7.1 per cent as the top five States.

Business Line, 21 May 2026

ASK Automotive bets on aluminium components as segment grows 30% in FY26, overtakes brakes biz

Amit Vijay Mohile
Mumbai

ASK Automotive is using the cash flows from its dominant two-wheeler braking business to fund the next phase of its expansion, as it transforms from India's largest two-wheeler brake supplier into a more diversified maker of lightweight aluminium auto components and EV-ready precision-engineered parts.

ALPS SEGMENT

It reported consolidated total income of ₹4,196.2 crore in FY26, up 16.2 per cent from ₹3,612.7 crore in FY25, while EBITDA rose 24.1 per cent to ₹550.9 crore from ₹443.8 crore and net profit increased 20.1 per cent to ₹297.3 crore from ₹247.6 crore.

The Gurugram-based company said underlying net revenue grew 20.1 per cent. ASK's Aluminium Lightweighting Precision Solutions (ALPS) division grew 30 per cent to ₹2,121 crore in FY26 from ₹1,632 crore in FY25, overtaking its flagship braking business to become the company's largest segment and contributing 50.8 per cent of consolidated revenue.

Chairman and Managing Director Kuldip Singh Rathee said FY26 marked ASK Automotive's "tenth consecutive quarter of robust performance" since its November 2023 listing.

TOUCHING THE SUMMIT. The most significant development in FY26 was the rise of ALPS as ASK's largest business PERIASAMY M

NEW GROWTH ENGINE

The most significant development in FY26 was the rise of ALPS as ASK's largest business.

While ALPS revenue increased 30 per cent to ₹2,121 crore, ABS grew 17 per cent to ₹1,542 crore in FY26 from ₹1,320 crore in FY25, accounting for 36.9 per cent of revenue. For a company that still commands around 50 per cent of India's two-wheeler advanced braking systems market, the crossover marks an important strategic shift rather than a departure from its cash-generating base business.

ASK's ALPS division manufactures high-pressure die-cast and precision-machined aluminium parts such as engine covers, ECU housings, battery housings and electric motor housings used in both conventional and electric vehicles.

The company's Q4 FY26 performance underscored that momentum. Consolidated total income increased 35.3 per cent to ₹1,154 crore in Q4 FY26 from ₹853 crore in Q4 FY25, EBITDA rose 31.1 per cent to ₹140 crore from ₹107 crore, and net profit climbed 24.2 per cent to ₹72 crore from ₹58 crore.

Business Line, 21 May 2026

TSF Group, Bosch plan JV for electronic air systems for CVs

Our Bureau
Chennai

TSF Group (Wheels India Ltd and Brakes India Pvt Ltd) and Bosch are planning to enter into a 50:50 joint venture for the development and manufacture of next-generation electronically-controlled air system products for commercial vehicles (trucks and buses) to be sold worldwide.

The JV will focus on engineering, manufacturing and sales of electronically-controlled and software driven modules for air compression, air processing, air suspension and air parking brakes, a statement from the TSF Group said.

THE BEST OF BOTH

The proposed JV seeks to combine Bosch's strengths in electronics and software, sensing and control systems with the mechanical system design, pneumatic management architecture and manufacturing capabilities available within Brakes India and Wheels India.

Srivats Ram, MD, Wheels India Ltd BIJOY GHOSH

"As part of the TSF Group, Wheels India has been a pioneer in air suspension systems for buses in India for over three decades. Over this period, we have built strong relationships with both OEMs and end users through consistent product quality and service. We are pleased to collaborate with Bosch on this development initiative to advance electronic air suspension systems for the global customers," said Srivats Ram, Chairman & Managing Director, Wheels India.

TSF has expertise in hardware and Bosch in software and electronics. Further, Wheels India and Brakes India have domain engineering capabilities in the products. The investment details will be worked out later, Ram told *businessline*.

Wheels India is a leading manufacturer of wheels for trucks, agricultural tractors, passenger vehicles and construction equipment, air suspension systems for trucks and buses, and industrial components for the construction and windmill industry with manufacturing plants in Tamil Nadu, Maharashtra, Uttar Pradesh, Uttarakhand and Andhra Pradesh, the release said.

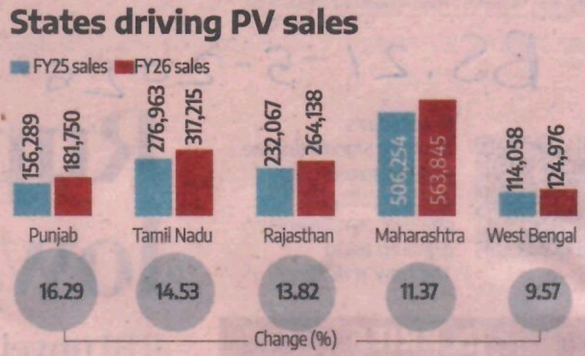
Business Standard, 21 May 2026

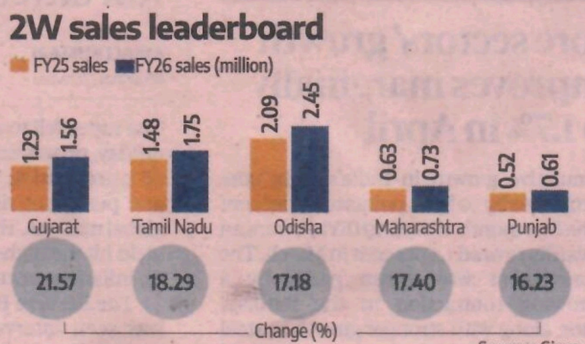
Punjab tops FY26 PV sales growth, Gujarat in two-wheelers

Punjab recorded the largest growth in the sales of passenger vehicles (PVs) in FY26 compared with FY25, as per data released by the Society of Indian Automobile Manufacturers (Siam) on Wednesday. As many as 181,750 units were sold in FY26 in Punjab, marking a 16.29 per cent year-on-year (Y-o-Y) rise.

In the two-wheeler segment, Gujarat topped in volume sales growth in FY26. Two-wheeler sales in the coastal state stood at 1.569 million in FY26, marking a phenomenal increase of 21.57 per cent Y-o-Y.

DEEPAK PATEL





Source: Siam

Business Standard, 21 May 2026

Icra projects up to 5% growth in 2W sales

ANJALI SINGH
New Delhi, 20 May

The domestic two-wheeler industry is projected to witness a moderate wholesale volume growth of 3 to 5 per cent year-on-year (Y-o-Y) in FY27, according to a report by credit rating agency Icra on Wednesday.

While demand continues to be supported by regulatory reforms and healthy replacement cycles, overall growth momentum for FY27 could be constrained by a high statistical base and weak monsoon forecast.

The industry commenced FY27 on a strong note, with domestic wholesale volumes jumping 29 per cent Y-o-Y in April to reach 1.9 million units. Icra attributed this spike to improved vehicle affordability following the implementation of the recent 'GST 2.0' rationalisation measures.

Real-time retail demand rose moderately at 13 per cent Y-o-Y in April. On-the-ground sales were driven by lower-than-expected manufacturer price hikes, stable rural income flows from recent agricultural output, and a late wedding season that extended until mid-May.

The electric two-wheeler (e2W) ecosystem continued its steady upward trajectory, posting a robust 68 per cent Y-o-Y retail growth in April with 154,337 units sold.

With this surge, e2W penetration climbed to 8 per cent for the month.

Business Standard, 21 May 2026

CLEANER FUEL DESERVES STRONGER INCENTIVES: MARUTI SUZUKI CHAIRMAN

Bhargava puts biogas ahead of hybrids

SURAJEET DAS GUPTA
New Delhi, 20 May

Maruti Suzuki Chairman R C Bhargava says vehicles powered by biogas should receive greater government incentives than hybrids because they ensure net-zero carbon emissions and also produce organic manure valuable for farming.

Biogas can be used independently as compressed biogas (CBG), a substitute for compressed natural gas (CNG) for powering vehicles. It can also be blended with fossil fuel-based CNG. He also argued that there should always be a goods and services tax (GST) differential between hybrids and electric vehicles (EVs), with EVs continuing to attract lower taxation. He rejected demands by some original equipment manufacturers (OEMs) seeking tax parity between the two.

Bhargava was responding to the growing challenge facing the country, which has come into sharper focus because of the US-Iran conflict and the oil crisis, on how India should accelerate the shift away from heavily imported fossil fuels towards electrification.

Speaking to *Business Standard*, Bhargava said, "Biogas has not taken off at all in the country despite its immense potential because there is no incentivisation for companies to invest in plants that convert easily available agricultural waste into biogas. That is why vehicles using biogas should be given more incentives in GST or even concessions in proposed Corporate Average Fuel Efficiency norms than what is offered to other vehicles, such as hybrids."

Green divide

- Biogas-powered vehicles should get more incentives than hybrids
- Hybrids should attract higher GST than EVs, but lower than petrol and diesel vehicles
- Flex fuels impractical as India does not produce enough ethanol
- Maruti Suzuki has the technology enabling vehicles to use low emission E30 fuel blends

He pointed out that an earlier scheme under which oil marketing companies guaranteed offtake of CBG from producers did not succeed. A new policy has now been worked out, which he described as more attractive. "Remember, unlike EVs, the process of biogas conversion also produces organic manure, which is needed for agriculture," he added. He also said that biogas has the added advantage of generating net-zero carbon emissions.

On the push by some OEMs for GST on hybrids — such as plug-in hybrids or range-extender EVs — on par with pure battery EVs, Bhargava said, "There should always be a differential in GST between electric and hybrids. EVs should have lower GST, even though they may not effectively ensure zero emissions, as charging stations get electricity from coal-powered units. GST on hybrids should be higher than on EVs, but lower than on petrol and diesel vehicles, which are most polluting."

On the government's decision to notify higher ethanol-petrol blends of E30 — containing 30 per cent ethanol and 70 per cent petrol, compared to the earlier E20 blend (20 per cent ethanol and 80 per cent petrol) — Bhargava said, "We have the technology to move to E30 from E20, and it will help reduce emissions."

However, he pointed out that existing vehicles designed for a 20 per cent ethanol blend can use E30 without any deterioration in vehicle performance. He, however, ruled out the large-scale potential of flex-fuel vehicles, despite many companies demonstrating their commercial viability. In flex-fuel vehicles, ethanol blending can rise to between 85 per cent and 100 per cent. Several automobile companies have already showcased such vehicles.

But Bhargava said, "The problem is that there is not enough ethanol available from processing sugarcane, maize, and other feedstock. Such high levels of ethanol blending would require very large volumes."

Business Line, 23 May 2026

'Honda to launch 10 cars by 2030, six this year'

S Ronendra Singh
New Delhi

Honda Cars India (HCIL) on Friday said it will introduce sedans and sports utility vehicles (SUVs), including compact SUVs with all powertrain options — flex-fuel and electric vehicles (EVs) — when the demand grows in the market.

The company plans to launch 10 products by 2030 and six within this financial year, said top company officials.

However, it will not bring back any hatchback to the Indian market and its compact sedan Amaze will remain as the entry-level car in its portfolio, they added.

"We are looking at all the possibilities for the future... We always consider for options. For us, small car is the Amaze and now we are also looking at a sub 4-metre SUV for the Indian market. Our first priority has always been the domestic market and exports come secondary," said Takashi Nakajima, President and CEO of Honda Cars India.

On the West Asia crisis, he said there is not much change in the demand side in the Indian market, and the market is doing good because of the GST reduction since September last year.

On the sedan market, the company said India still has a strong market with CAGR of around 8.5 to 9 per cent over the last five years, and that is why Honda's Amaze and City still have a strong demand.

"The hatchback segment, five years ago, was contributing 40 per cent of the total industry, but now has gone down to 23 per cent, so there is a big change... India as a market is getting more matured and it's getting more segmented growth... The new segment, which is emerging strong, is the 4 meters and that is where Honda is focusing," said Kunal Behl, Vice-President, Marketing and Sales, HCIL.

GOING PLACES. (left to right) Kunal Behl, V-P, Marketing & Sales, HCIL; Takashi Nakajima, President & CEO, HCIL; and Yujiro Sujino, Director, Marketing & Sales

NEW PRODUCTS

Meanwhile, Nakajima said India is among the top three focus markets to realise Honda's future growth, which will be driven by a strong pipeline of new products and the company's efforts are to achieve cost competitiveness.

"This year is a landmark year for us with six strategic launches that will sharpen our competitive edge and reinforce our brand position in the market. Recently we announced that we will be launching new models under two categories — under 4 metres and the midsize category. Last time, in Japan, we mentioned 10 models, but currently we are counting more than 10 [by 2030]," he said.

Business Line, 25 May 2026

Production normalising after temporary disruptions in TN facility: Royal Enfield

T E Raja Simhan
Chennai

Production and dispatches at the Royal Enfield Cheyyar manufacturing facility in Tamil Nadu are returning to normal after labour shortages, Assembly elections and supply constraints impacted operations temporarily earlier this month, the two-wheeler manufacturer said.

Speaking during the company's earnings call, B Govindarajan, Managing Director of Eicher Motors and Chief Executive Officer of Royal Enfield, said the production was affected for about a week to 10 days due to manpower shortages linked to elections, along with LPG shortages and commodity availability issues, Govindarajan said, adding that power disruptions and supplier-side constraints also affected operations temporarily."There is no structural correction taking place in demand which is continuing, inquiries are very good and booking trends are very good," he added.

B Govindarajan, CEO, Royal Enfield RAGU R

NEXT PHASE

The company has announced a ₹958-crore brownfield expansion at the Tamil Nadu plant, which will increase annual production capacity from around 14.6 lakh units to nearly 20 lakh units by FY28.

"This is where we had land in hand. That's why we could move quickly with the brownfield expansion," he said. Royal Enfield said current installed capacity is around 14 lakh units annually, which will rise to more than 16 lakh units by June-July with the addition of a new 500-units-per-day manufacturing module. The larger Cheyyar expansion will subsequently take overall capacity to around 20 lakh units.

Govindarajan said the premium motorcycle segment has expanded from 70,000 units a month in FY23 to about 1.1 lakh units currently, with Royal Enfield accounting for nearly 90,000 units.Royal Enfield sold 12.27 lakh motorcycles in FY26, while April sales rose 57 per cent year-on-year to more than 1.04 lakh units

Business Line, 26 May 2026

Ashok Leyland, VRL Logistics deepen partnership with order for 715 vehicles

Our Bureau
Chennai

Ashok Leyland, a leading commercial vehicle manufacturer, has bagged an order of 715 vehicles from VRL Logistics, a key logistics player in India.

The order includes AVTR 3120 haulage trucks, Boss 1615 trucks and Oyster staff buses.

This milestone marks a significant step in strengthening the partnership between the companies and reinforces Ashok Leyland's position as a trusted mobility partner, says a statement from the companies.

The order includes AVTR 3120 haulage trucks, Boss 1615 trucks and Oyster staff buses

DELIVERIES ON TRACK

Deliveries are progressing as planned, with 300 trucks already delivered and the remaining 415 scheduled for execution in the current year, the statement added.

Anand Sankeshwar, Managing Director, VRL Logistics, said the fresh order of 715 vehicles marks a strategic deepening of partnership to drive higher logistics efficiency. "Backed by Ashok Leyland's focus on innovation and our forward-looking transport strategy, the company is confident of sustained success."

Madhavi Deshmukh, National Sales Head–MHCV, Ashok Leyland, said this order win is a testament to the trust VRL Logistics has in Ashok Leyland's technology and performance.

Business Line, 29 May 2026

Ashok Leyland Q4 profit rises 11% as CV, export volumes hit a record high

Our Bureau
Chennai

Ashok Leyland has delivered its highest-ever quarterly and annual revenues and net profit. It reported a 11 per cent increase in consolidated net profit for Q4 FY26 to ₹1,381 crore, as against ₹1,246 crore in the year-ago quarter. Revenue was up 16 per cent to ₹14,980 crore (₹12,868 crore).

For FY26, the company reported an 8 per cent increase in net profit to ₹3,566 crore (₹3,303 crore) on a 14 per cent increase in revenue to ₹44,007 crore (₹38,753 crore).

The PAT is after a one-time charge of ₹308 crore owing to the new Labour Codes, the company said. The board of directors declared a second interim dividend of ₹2.50 per share (face value of ₹1 per share). The overall dividend for the year works out to ₹3.50 per share (350 per cent).

The company appointed KM Balaji as Whole-Time Director and CFO.

Scorecard (in ₹ cr)

	Q4 FY26	Q4 FY25	Growth (%)
Net profit	1,381	1,246	11
Revenue	14,980	12,868	16

CV, EXPORT VOLUMES

Overall commercial vehicle (CV) volumes scaled a new all-time high of 220,437 units, surpassing the previous peak of 197,366 units achieved in FY19.

The CV volumes in FY26 were up 13 per cent from last year. Light commercial vehicle (LCV) volumes set a new benchmark, reaching 74,322 units, well above the earlier high of 66,633 units in FY24, said a release.

Export volumes also reached a historic high of 18,082 units, delivering a robust growth of 18.5 per cent over the previous year's 15,255 units. The Power Solutions and Aftermarket businesses continued their strong momentum, posting impressive growth during the year, the release said.

OTHER BUSINESSES

The company's major subsidiaries accelerated their growth journeys during FY26. Switch Mobility delivered a standout performance, with e-bus volumes surging to 1,530 units, up 238 per cent year on year.

The e-LCV volumes rose to 1,606 units, up 56 per cent. The revenue more than doubled to ₹1,807 crore, with PAT of ₹104 crore in FY26, against a loss of ₹62 crore in the previous year, the release said. Hinduja Leyland Finance (HLF - standalone) posted a 24 per cent growth in FY26 to achieve an AUM of ₹59,531 crore. HLF PAT is up 20 per cent to ₹491 crore. Hinduja Housing Finance (HHF - standalone) has grown its AUM by 15 per cent to ₹15,937 crore, with PAT growing 4 per cent to ₹387 crore, the company said.

Business Line, 30 May 2026

Domestic market drives growth for MM Forgings amid global slowdown

T E Raja Simhan
Chennai

Chennai-based MM Forgings Ltd witnessed stronger traction in the domestic market during the March 2026 quarter, with India accounting for a higher share of revenue, even as demand from key export markets such as the US and Europe softened amid global economic uncertainties.

DOMESTIC SHARE UP

According to the company's Q4FY26 and FY26 financial presentation, domestic sales contribution rose to 71 per cent in the fourth quarter from 63 per cent in the preceding quarter. In comparison, the US market share declined to 10 per cent from 15.5 per cent, while Europe's contribution dropped to 16 per cent from 19 per cent. South America, however, showed improvement, with sales contribution increasing to 3.1 per cent from 1.1 per cent.

For Q4FY26, the company posted a 36 per cent rise in consolidated net profit to ₹45 crore, up from ₹33 crore last year. Revenue for the quarter increased 12 per cent to ₹423 crore from ₹377 crore.

For the full year FY26, consolidated net profit declined 18 per cent to ₹99 crore from ₹122 crore in FY25, despite revenue rising 4 per cent to ₹1,606 crore from ₹1,548 crore.

In FY26, sales in India increased to 64.5 per cent as against 61.5 per cent in the previous year; Europe to 20 per cent (12 per cent); US to 10.3 per cent (16 per cent) and South America to 3.9 per cent (7.9 per cent), the presentation said.

Vidyashankar Krishnan, CMD, MM Forgings Ltd

Vidyashankar Krishnan, CMD, MM Forgings Ltd, said global economic conditions during FY26 remained mixed due to geopolitical developments, regional conflicts, trade uncertainties, shifting trade policies among major economies and commodity price volatility.

Krishnan added that demand visibility across key customer segments remained encouraging, aided by strengthening domestic market conditions and gradual improvement in export enquiries from select geographies.

DOMESTIC SALES UP

The company's domestic sales grew 9.5 per cent on the back of a strong commercial vehicle market and a passenger vehicle market. However, in the US and Europe, overall economic activity slowed.

In the US, the truck segment is very slow and moribund, leading to a sharp decline in sales there in the previous fiscal and Europe looked steady, Krishnan told *businessline*. However, the Class 8 heavy truck market in the US is looking up this calendar year, he added.

Keto Motors drives into BSE, thanks to reverse merger

Our Bureau
Chennai

Hyderabad-based Keto Motors listed on the BSE on Tuesday, thanks to its reverse merger with Taaza International Ltd.

Shares of the commercial electric vehicle manufacturer focused on sustainable mobility solutions closed at the 5 per cent upper ceiling at ₹110.23 after opening at ₹104.99.

IN TOP GEAR. The stock of Keto Motors, erstwhile Taaza International, closed at the 5 per cent upper ceiling at ₹110.23

SWAP RATIO

Shareholders of the Keto Motors received 3 shares of Taaza International for every 2 shares they had held.

Following the NCLT-Hyderabad approval, the new promoters were allotted 5.6 crore shares, taking their stake to 92.49 per cent of the expanded equity base.

"The listing comes as Keto Motors continues to scale its electric commercial mobility business through key initiatives including its ₹300 crore electric bus manufacturing project in Telangana and the upcoming commercial rollout of its Urbanova KE9 9-metre electric bus platform," the company said in a statement to the exchanges.

Venkatesh Challa, Director, Keto Motors, said, "The BSE debut marks an important milestone in our journey as we continue building a scalable electric commercial mobility business in India." He believes India's commercial EV sector is entering a transformative phase, and Keto Motors is well-positioned to contribute to this transition.

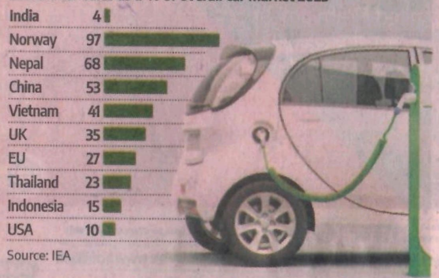
The company is focused on addressing growing demand from State transport undertakings, institutional fleet operators, employee transportation providers and urban mobility networks transitioning towards zero-emission transportation systems.

Business Standard, 28 May 2026

India lags peers in EVs' share of total car sales

EVs in India: Slow uptake

Electric car sales as a % of overall car market 2025



Source: IEA

SURAJEET DAS GUPTA
New Delhi, 27 May

India badly trails the world in the share of electric cars as a percentage of new car sales, despite the government's aggressive target of hitting 30 per cent penetration by 2030 — backed by numerous measures to speed up electrification.

According to new data published by the Paris-based International Energy Agency (IEA) — an autonomous inter-governmental organization — electric cars made up 25 per cent of all new cars sold globally in 2025. As many as 20 million cars sold around the world were electric, said the IEA, which includes battery-run and plug-in hybrids among electric vehicles.

Against this benchmark India's share was a mere 4 per cent of all new cars sold in the country. And this, too, was concentrated in just two large carmakers — Tata Motors and Mahindra & Mahindra — which accounted for 60 per cent of the 165,000 electric cars sold last year.

IEA data showed electric car sales crossed the 10 per cent-mark in 23 countries, apart from the European Union.

They include: Vietnam (41 per cent in 2025 compared with zero in 2020), Thailand (23 per cent), Indonesia (15 per cent from zero in 2020), South Korea (11 per cent), and Philippines (10 per cent). In Latin America, Brazil (9 per cent) and Mexico (7 per cent) are ahead of India. And in Europe Turkey surprised, with its share jumping to 20 per cent from a mere 1 per cent in 2022.

India's neighbour Nepal was another success story with electric car sales in 2025 hitting 68 per cent from 10 per cent in 2020.

Expectedly, Norway remained at the top with 97 per cent of its total new car sales being electric last year. China came in with 53 per cent while the US just about managed to cross 10 per cent, compared with 2 per cent in 2020.

A key reason for India's sputtering performance is the lack of charging stations. The IEA study placed India second from the bottom among 17 countries in the share of electric car owners who have home-charging facilities. India's share was 55 per cent, compared with 80-90 per cent in Norway, Switzerland and the US.

India, according to the IEA, had 88,000 charging points as of 2025 — a miniscule share of the global stock of 7 million. China controlled 65 per cent of the world's public charging points.

RAW MATERIAL

Business Line, 26 May 2026

Global crude steel output falls 1.9% in April; India posts growth

Gayathri G
Chennai

Global crude steel production fell for the fourth straight month in April, dragged down by lower output in China, the Middle East and Russia, even as India consolidated its position as the world's second-largest steel producer with a continued growth in output.

World crude steel production across 69 countries stood at 153.4 million tonnes (mt) in April 2026, down 1.9 per cent year-on-year, according to data released by the World Steel Association.

China, the world's largest producer, manufactured 83.6 mt of crude steel during the month, a decline of 2.8 per cent from a year earlier. Its output in the January-April period fell 4.1 per cent to 331.1 mt, reflecting continued weakness in its property and construction sectors.

India produced 13.8 mt of crude steel in April — up 3.9 per cent year-on-year, while output during the first four months of 2026 rose 9.4 per cent to 58.7 mt.

INDIA RETAINS 2ND SPOT

The country remained the second-largest steel producer globally after China and continued to outperform global trends, supported by infrastructure spending and strong manufacturing activity.

The United States posted one of the strongest gains among major producers, with output rising 9.4 per cent to 7.2 mt. Germany and Turkiye also recorded robust growth of 9.5 per cent and 9.4 per cent respectively.

Among the regions, Asia and Oceania, which account for the bulk of global steelmaking, saw production decline by 1.3 per cent to 114.2 mt.

The sharpest contraction came from the Middle East, where output plunged 27.6 per cent to 3.7 mt, amid geopolitical disruptions and weaker demand conditions.

Production in Russia and other CIS countries, including Ukraine, fell 13.4 per cent year-on-year to 6 mt in April, while North America bucked the global trend with a 6.9 per cent increase to 9.4 mt.

For the January-April period, global crude steel production declined 2 per cent year-on-year to 613.3 mt, indicating continued pressure on the industry from uneven demand recovery and geopolitical uncertainties.

GOVERNMENT POLICY

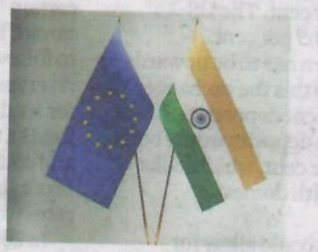
Business Line, 20 May 2026

'Quality compliance must for Indian exporters under EU FTA'

Amiti Sen
New Delhi

Indian exporters seeking to benefit from tariff elimination under the India-EU free trade agreement (FTA) will have to up their game to meet the bloc's stringent quality regulations, but the government can challenge the requirements that seem to restrict trade, officials said.

"Compliance is something on which we have to all work. And work is required in preparing ourselves in terms of ensuring that we produce quality goods, we take proper certifications and we comply with the requirements of the importing country. For that, we have to improve our systems. At the same time, the FTA provides for a number of mechanisms to ensure that technical regulations do not become impediments," said Darpan Jain, Additional Secretary, Ministry of Commerce.



Mechanisms, such as early warning transparency, rapid action mechanism and joint TBT & SPS (technical barrier to trade & sanitary and phytosanitary measures) committees, have been inbuilt into the FTA to ensure that genuine regulations do not become an impediment to exports, Jain said.

The India-EU FTA, which is set to eliminate tariffs on 99 per cent of India's exports (by value) to the region, is likely to be implemented sometime next year after its legal scrubbing is completed, and it goes through all ratification processes, including the approval of the EU Parliament.

Compliance with the EU's complex regulatory standards will be critical for Indian businesses as the EC has made its intentions clear by stating that "human, animal, and plant health are non-negotiable," pointed out development economist Biswajit Dhar.

"Though the government is optimistic about its gains from this FTA, the realisation of benefits may not be as straightforward as it appears, given that the EU is an extensive user of standards, or non-tariff measures," Dhar said.

GAINS FROM FTA

Enumerating gains from the FTA, Jain said that about 99.5 per cent of Indian exports will receive preferential tariff treatment, while $33 billion worth of labour-intensive goods — apparel, textiles, leather, footwear and gems and jewellery — currently facing high EU duties of 10-14 per cent, and going up to 26 per cent in some categories (like marine) - will benefit from full elimination.

The combined imports of India and the EU represent roughly one-third of global trade in goods and services, he said.

Noting that the EU accounts for about 12 per cent of India's total merchandise trade, FICCI Secretary General Anant Swarup said the task now is to convert these agreements into practical gains for industry, especially for exporters, MSMEs and service providers.

The Economic Times, 22 May 2026

INCENTIVE FOR 50,000 E-BUSES AND 10,000 E-TRUCKS

E-buses & E-trucks may Get Interest Subvention Scheme

Centre may earmark ₹6,960 cr; talks held with stakeholders

Twesh Mishra

New Delhi: The government is considering an interest subvention programme to encourage adoption of electric buses and trucks in the private sector, said officials in the know.

The proposed scheme, currently in the works, will seek to incentivise 50,000 e-buses and 10,000 e-trucks, by offering an interest subvention of around 3-5%, they said.

"A tapering interest rate subvention of 3-5% is being considered for aiding procurement of e-trucks and e-buses," a senior official told ET. The Centre may earmark ₹5,760 crore for supporting the purchase of e-buses and ₹1,200 crore for e-trucks, he said.

The Ministry of Heavy Industries this week held deliberations with stakeholders, including banks and fleet owners, on the proposal.

The move gains significance amid the West Asia crisis that has driven up oil prices and Prime Minister Narendra Modi's call to reduce consumption of fossil fuels. The government is actively deliberating a fresh boost for commercial electric vehicles through this intervention.

"Electric buses and e-trucks require higher investments compared to diesel variants," said an official who attended the meeting.

According to industry estimates, a diesel bus can be purchased for ₹60 lakh, but a comparable e-bus will cost ₹1.20 crore. The cost can be ₹58 lakh for a 55-tonne diesel truck and ₹1.22 crore for a comparable electric truck.

A partial credit guarantee and interest subvention are considered as two components of this proposed scheme. It is estimated that support from the government could potentially unlock ₹70,000-80,000 crore private investment for procuring electric buses and trucks.

Business Line, 25 May 2026

CAFE III, ADAS norms will drive growth for auto-parts makers

Amit Vijay Mohile
Mumbai

India's tightening fuel-efficiency and safety regulations are emerging as the next major growth driver for auto-component makers, with companies such as Bosch expecting a sharp rise in electronics, software and emission-control systems per vehicle as automakers prepare for CAFE III and mandatory ADAS norms.

Bosch Ltd, Managing Director, Guru Prasad Mudlapur, said the company is positioning itself ahead of major regulatory shifts including CAFE Phase III fuel-efficiency norms, mandatory advanced driver-assistance systems (ADAS) for commercial vehicles and the eventual transition toward stricter BS7 emission standards.

"Regulation is clearly moving in one direction — towards safer, cleaner and more efficient mobility," Mudlapur said on an analysts' call. "Our approach is to prepare ahead of time and support customers through that transition."CAFE Phase III norms, expected to take effect from April 2027, will require automakers to significantly improve fleet-wide fuel efficiency and lower emissions, forcing the industry to adopt more advanced powertrain technologies, electronics, lightweight materials and hybrid systems.

TIGHTER NORMS

For suppliers, the key metric is "content per vehicle" — industry shorthand for the value of components and systems supplied in each automobile.

"In a market where volumes may remain flat in the near term, content per vehicle becomes the primary growth lever," Mudlapur noted.

Schaeffler India is also expected to benefit from trends such as engine downsizing and transmission-efficiency upgrades triggered by tighter norms. The company has been expanding its portfolio of advanced valvetrain systems, electronic clutch management and hybrid transmission technologies aimed at improving efficiency while lowering emissions.Suppliers such as Sona Comstar stand to gain from the increasing shift toward electrified powertrains, which carry significantly higher component value compared with conventional internal combustion engine systems.

ADAS features such as collision warnings, lane-departure assistance and automatic emergency braking remain at a relatively early stage in India's commercial vehicle market, creating a large opportunity for suppliers involved in radar systems, cameras, sensors and electronic safety architecture.

Business Line, 29 May 2026

Engineering goods exports rise 8.8% in April despite fall in shipments to UAE, Saudi Arabia

Our Bureau
New Delhi

The country's exports of engineering goods to West Asia in April, particularly to the UAE and Saudi Arabia, declined significantly as the US and Israel's war with Iran disrupted shipping, but overall exports from the sector posted an 8.78 per cent growth (year-on-year) to $10.35 billion, per data shared by the Engineering Export Promotion Council (EEPC).

"Among the top exporting countries, exports to the US, the UK and Germany increased in April 2026 but shipments to the UAE, Singapore and Saudi Arabia continued to drop," according to an EEPC India analysis shared on Thursday. During the month, exports to North America increased 7.1 per cent to $2.14 billion, while exports to the EU rose 13 per cent to $1.87 billion.

Exports to WANA (West Asia & North Africa) in April 2026, however, declined 18.1 per cent to $1.10 billion, while shipments to Asean, too, fell 7 per cent to $1.07 billion.

"The demand in the WANA region has declined mainly due to drop in exports to the UAE (37.1 per cent dip in April 2026 to $339.23 million) and Saudi Arabia (9.7 per cent fall to $356.17 million)...as both the countries faced significant challenges due to regional conflicts," the report noted. Saudi Arabia's Purchasing Managers' Index contracted for the first time since 2020 in March 2026, while the UAE faced challenges as a transhipment hub that relies heavily on key shipping routes, which have been affected by conflicts.

However, within the region, exports to Oman increased, which is a positive indicator, especially due to the recently signed India-Oman CEPA, the report highlighted.

MIXED BAG

- Exports to North America increased 7.1% to $2.14 billion and to EU rose 13% to $1.87 billion
- Exports to West Asia and North Africa fell 18.1% to $1.10 billion
- Shipments to Asean were down 7% to $1.07 billion

POSITIVE INDICATOR

Within the region, exports to Oman increased, which is a positive indicator, especially given the recently signed India-Oman CEPA, the report noted.

"Indian exporters are also facing stiff competition from Chinese suppliers and even Russian suppliers at some instance," it added.

On the brighter side, engineering goods exports to the US, India's top market, rose 4.9 per cent in April 2026 to $1.74 billion.

Exports to the UK, too, increased sharply by 40.8 per cent to $471.94 million, while shipments to Germany rose 27.8 per cent to $ 426 million.

FTA PUSH

EEPC India Chairman Pankaj Chadha said that India has signed a slew of FTAs with major partners, but the industry needs to understand the key challenges to market access in these countries to make the most of these deals.