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Association of Indian Forging Industry

Key Press Reports on Industry and Govt. Policies
(1st Fortnight July 2026)

Business Line, 2 July 2026

EV growth boosts Wheels India's air suspension business: CMD

Our Bureau
Chennai

The strong double-digit growth in air suspension business in FY26 was driven by higher content per vehicle, growing inter-city transport and growing penetration of EVs, among other reasons, Srivats Ram, Chairman and Managing Director, Wheels India, told shareholders at the company's 67th annual general meeting that was held virtually on Wednesday.

"We continue to invest in the alloy wheels segment and will strive for higher volumes in the coming years," he said on the prospects in the alloy wheels segment.

Ram was positive of the growth in the component business catering to the wind mill industry in FY27. He said that business grew 14 per cent last year, driven by new businesses from the off-shore segment.

"We are likely to see growth both in India and overseas markets. We continue to invest in and grow the business of machining of large castings for this sector," he said.

He struck a note of caution citing inflation concerns on commodity prices due to the West Asia crisis, but was hopeful of the prices stabilising going forward.

Answering shareholder queries, Ram said the company is planning a capex of around ₹300 crore this year towards tractor, wind mill, hydraulic cylinders and air suspension segments. The company will also focus on growth of its construction equipment and agri tractor businesses globally.

"The company has a leadership position in the construction equipment segment and we would like to achieve that in the agri tractor segment as well globally," he said.

Answering another shareholder's question on the growth strategy, he said, "We are looking to ramp up machining of large castings. The cast aluminium business is on a low base currently and we have been able to get new businesses from a number of Indian OEMs. We should be able to ramp up this business this year."

Business Line, 3 July 2026

In major reprieve for auto sector, Centre waives ₹2,700 crore CAFE-2 penalties

BL 3-7-2026

S Ronendra Singh
New Delhi

In a major development, the Centre has bailed out all major vehicle manufacturers, including Hyundai Motor India (HMIL), Kia India and Mahindra & Mahindra (M&M), from paying heavy penalties, collectively totalling ₹2,700 crore, for violating the Corporate Average Fuel Efficiency (CAFE-2) norms.

PMO INTERVENES

Following a crucial Prime Minister's Office (PMO) intervention earlier this year that halted CAFE-3 implementation until past penalties were resolved, the Ministry of Power issued an official directive to the carmakers on Thursday.

"Notice is hereby given that the said draft amendments will be taken into consideration after the expiry of thirty days from the date of this notification as published in the Gazette of India, and are made available to the public... any objections or suggestions which may be received from any person in respect of the said draft amendments before the expiry of the aforesaid period will be considered by the Central government," said sources quoting the Ministry letter.

The letter is addressed to the Managing Directors and Chief Executive Officers of 18 automakers, including HMIL, Kia Inda, M&M, Maruti Suzuki India, Honda Cars India, Force Motors, JSW MG Motor, Renault India, Toyota Kirloskar Motor, Nissan India, Skoda Auto Volkswagen India, Mercedes-Benz India and BMW Group India.

Under CAFE-2 norms, HMIL had the maximum number of penalties up to ₹3,000 crore, followed by M&M at ₹1,800 crore and Kia India at ₹1,350 crore.

The final order entirely wipes out the industry's liabilities, which the government had already drastically reduced to around ₹2,700 crore from an initial estimate of roughly ₹8,800 crore.

Further, the Centre has extended the compliance runway by allowing automakers to offset their emissions debits all the way through September 30, 2027, stretching beyond the previously suggested March 31, 2027, deadline via the exchange of carbon credits.

EMISSION TARGETS

The penalties were originally triggered because the automakers breached fleet-wide carbon-dioxide emission targets, which require a manufacturer's total annual sales volume to meet strict average fuel-efficiency standards.

Under the original rules, heavy-emission vehicles like SUVs had to be structurally balanced out by electric vehicles or fuel-efficient models within the same financial year, or face compounding fines per vehicle sold.

However, sources close to the development told *businessline* that the new framework fundamentally dilutes these rules; automakers no longer face immediate penalties for missing end-of-year targets.

Business Standard, 7 July 2026

Auto retail sales jump 22% in June

SHINE JACOB
Chennai, 6 July

Automobile retail sales grew the fastest in three months to 2.5 million units, recording a 22 per cent annual growth and the best ever sales in June, according to data available from the Federation of Automobile Dealers Associations (Fada). Overall auto retail sales had jumped 13 per cent in April and 10 per cent in May.

Growth in commercial vehicles segment hit a three-month high at 17 per cent, after a 15 per cent growth in May and a 5 per cent in June.

Two-wheelers, three-wheelers, commercial vehicles, passenger vehicles and overall registrations posted their highest-ever June figures.

The boom in passenger vehicle sales reflects rising consumer confidence with the pent-up demand and benefits from goods and services tax (GST) rate rationalisation manifesting in the higher numbers, said Madan Sabnavis, chief economist at Bank at Baroda. "The lower base effect has also helped. More importantly, it looks like the entry segment of automobiles is reviving which is important," he added.

Commercial vehicle retail sale stood at 90,972 units in June as compared to 77,836 units in the same time a year ago, with rural India growth seen at 22 per cent, outpacing urban growth at 12.75 per cent, Fada said on Monday. Passenger vehicle sales grew 29 per cent, with the share of alternative fuel touching the 40 per cent mark for the first time.

The momentum in the industry got reflected in two-wheelers and three-wheelers also, as both these segments posted a growth of 21 per cent and 16 per cent, respectively.

Strong pickup

All-India vehicle retail sales (in units)

Category	Jun-26	% change M-o-M	% change Y-o-Y
Two-wheeler	18,28,458	-0.89	21.22
Three-wheeler	1,20,889	8.40	16.20
Passenger vehicle	4,10,853	2.05	28.63
Tractor	1,00,818	21.33	25.31
Wheeled-construction equipment	5,244	3.07	-40.94
Commercial vehicle	90,972	8.53	16.88
Total	25,57,234	1.03	21.83

Source: Fada

"The West Asia crisis cooled down only by the end of June. However, positive movements geopolitically, and also a rise in last-mile delivery, helped the commercial vehicle segment during the month. The e-commerce segment is doing really well, and all these combined are leading to an increase in infrastructure activity," said C S Vigneshwar, president, Fada.

A good share of the economic momentum was reflected in steady freight activity, e-commerce-linked movement and normalising supplies, while the share of electric vehicles in the commercial vehicle segment rose to 3.53 per cent from 1.57 per cent a year ago — an all-time high.

Fada came out with a 'cautiously optimistic' outlook for July, with monsoon catch-up and rural cashflows becoming the key swing factors ahead of the festive season.

Tractors saw a 25 per cent rise, while wheeled construction equipment declined by 41 per cent on a high base. Tractors recorded their second-best June ever. "That such records have come in a seasonally transitional month underscores the structural depth of the India Growth Story and the widening aspirations of Bharat," he added.

Market leader Maruti Suzuki witnessed a 37 per cent rise in sales versus last year to 168,000 units, Tata Motors moved up by 51 per cent to 57,009 units, and Mahindra and Mahindra by 22 per cent to 54,099 units, pushing the segment numbers up.

Two-wheeler sales stood at 18,28,458 units in June, up 21.22 per cent Y-o-Y. Two-wheelers are also seeing a decisive powertrain shift as EV share crossed double digits for the first time at 11 per cent against 7 per cent a year ago. A Shriram Mobility report highlighted that bus sales rose 24 per cent month-on-month, while agricultural tractor sales grew 18 per cent, approximately, reflecting seasonal demand.

With inputs from Himanshi Bhardwaj

Business Line, 8 July 2026

China's share of auto component supply to India rose 36% in FY26

DOMESTIC GROWTH. Sector saw ₹7.6 lakh cr turnover in FY26, up 12.7% year-on-year

S Ronendra Singh
New Delhi

Even though there is a robust growth in the Indian auto components sector in FY26, imports from China are still higher at 36 per cent during the year compared with 29 per cent in FY25, the performance review for FY26 shared by the Automotive Component Manufacturers Association of India (ACMA) has indicated.

According to the Industry Performance Review for FY26, ACMA said while the US remains the key destination for exports at 26 per cent in FY26, China is the key source of imports with 36 per cent, followed by Japan (11 per cent), Germany (10 per cent) and South Korea (7 per cent).

BRIGHT PROSPECTS. With continued domestic demand and exports despite geopolitical headwinds, the auto components sector in India is expected to grow 8-10 per cent in FY27 BIJOY GHOSH

LARGEST SOURCE

"The auto industry is a global industry and no one country makes everything... We don't have an OEM (original equipment manufacturer) from China though, but the OEMs from China are now selling finished products in India. Yet there is a significant import of auto components from China, and the reason for imports from China, or any place could be manifold," Vinnie Mehta, Director General, ACMA, told *businessline*.

Mehta said there could be various reasons, such as technology-related ones, as some vehicle manufacturing companies are global and require critical components that are not yet made in India.

Secondly, it could be that some companies have a policy to import from a Mother plant of a particular item for production in a particular geography, and that geography is China. And thirdly, it could be a very simple, price-competitive reason.

"Another reason could be, when in the domestic capacities growth happens in the vehicle industry a little too fast and there could be a capacity shortfall, they may resort to import from China. At least in one particular case where China sort of stopped export of rare earth magnets, but it has not stopped import of sub-assemblies and exported with fitted rare earth magnets or finished product from there," Mehta explained.

OUTLOOK POSITIVE

Meanwhile, driven by robust domestic demand, higher vehicle production and sustained investments in capacity, the Indian auto components sector recorded a turnover of ₹7.60 lakh crore ($85.9 billion) in FY26, registering a 12.7 per cent growth.

With continued domestic demand and exports, despite geopolitical headwinds, the sector is expected to grow 8-10 per cent in the current fiscal, it said. "The medium-to-long-term outlook for the Indian auto component industry remains positive. Growing domestic demand, infrastructure-led economic growth, expanding manufacturing investments, deeper global integration through Free Trade Agreements (FTAs) and increasing global sourcing from India are creating significant opportunities for the sector," Vikrampati Singhania, President, ACMA and Vice-Chairman and MD, JK Fenner (India), said.

The Economic Times, 8 July 2026

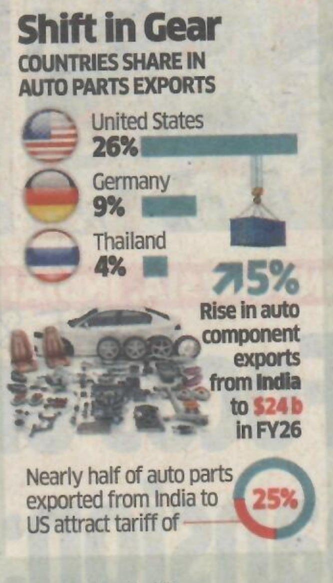
US Still India's Top Export Market for Auto Parts Despite Tariff Woes

Sharmistha Mukherjee

New Delhi: The United States continued to remain the single largest export market for auto parts makers in India in the financial year ended March 31, 2026, despite the heightening tension over tariffs between the two countries.

The United States accounted for 26% of all auto components exported from India last fiscal, followed by Germany (9%) and Thailand (4%), respectively. Auto component exports from India rose by 5% to $24 billion in FY26.

The development comes even as investigations are underway by the office of the United States Trade Representative (USTR) into unfair practices being followed by auto parts exporters from the country. The investigation under Section 301 is being undertaken on two counts—of unfair labour practices in India and creation of excess capacities backed by government subsidies.



The next meeting on the matter is scheduled for hearing later this month. India is among 16 countries being investigated by the USTR.

Vinnie Mehta, director general, Auto Component Manufacturers Association (ACMA) said, "If we had overcapacity why would the industry be investing in expanding production? The auto component industry does not get any subsidy from the government, In fact, out of the 1,100 members at ACMA, only two have received disbursements under the PLI (production linked incentive) scheme."

Mehta refuted allegations of unfair labour practices in the country. "They (USTR) have alleged that we mistreat our labour. The auto component industry in India is highly organised and adheres to the national labour code. Use of child labour—which is another allegation—is non-existent," Mehta said.

Nearly half of auto parts exported from India to the US attract tariff of 25%, and the remaining 12.5%. The components on which the rate of 12.5% is levied are under investigation by the office of USTR.

Interestingly, the development comes even as the US has been pushing American firms to derisk supply chains from China in a geopolitically charged global environment. Mehta said several Indian firms have, in fact, received request for quotations (RFQs) from US companies to up procurement from India.

"These RFQs explicitly require these companies to state that while they are a tier-I supplier in India, no part of their supply chain is dependent on China. They are also reflective of the growing confidence global firms now have on India as a sourcing hub," Mehta informed.

Overall, ACMA expects the auto component industry to grow by 8-10% in the ongoing financial year on back of robust exports and sustained domestic demand. The industry clocked revenues of ₹7.59 lakh crore ($85.9 billion), which is an increase of 12.7% in rupee terms over the previous fiscal. However, for the first time in two years, the sector also posted a trade deficit of $1.4 billion as imports grew at a faster pace than exports from the country. China was the largest import destination accounting for 36% of all auto parts shipped into the country.

Business Line, 8 July 2026

Mercedes-Benz India reports record H1 sales, up 9%; EV mix reaches 14%

IN THE FAST LANE. Growth driven by a strong demand for premium, top-end electric vehicles

Amit Vijay Mohile
Mumbai

Mercedes-Benz India reported its highest-ever first-half sales, retailing 9,768 vehicles in January-June 2026, up 9 per cent from 9,013 units in H1 2025, while second-quarter sales rose 10 per cent to 4,637 units (Q2FY26) from 4,238 units in Q2 FY25, as demand for premium electric vehicles and top-end luxury models continued to outpace the company's overall growth.

Battery electric vehicles now account for 14 per cent of Mercedes-Benz India's Q2 sales, roughly double their earlier contribution, underscoring the accelerating shift towards electrification in India's luxury car market.

The luxury car maker has said its franchise partners are expected to invest more than ₹450 crore over the next two years to add more than 20 luxury outlets across India, including its entry into Varanasi, while expanding its presence in Mumbai, Delhi NCR, Pune and Hyderabad.

DEMAND SURGE. Premium battery EVs priced above ₹1.4 crore recorded 85 per cent growth in the second quarter

BUYING TREND

The headline sales numbers mask an even bigger shift in buying behaviour. While overall volumes grew in single digits, Mercedes' strongest momentum came from its most expensive vehicles.

Sales of top-end luxury (TEL) models, including the Mercedes-Maybach range, S-Class, AMG models, EQS SUV and the newly-launched V-Class, grew more than 20 per cent in the first half, taking their share to a record 28 per cent of total sales.

Mercedes-AMG deliveries surged 50 per cent, reflecting growing demand for ultra-luxury and performance vehicles.

"H1 2026 has shown increased preference for our top-end vehicles, with the share now reaching an all-time high of 28 per cent, fuelled by the introduction and growing demand for the new V-Class and the 50 per cent growth trajectory achieved by the AMG portfolio," Santosh Iyer, Managing Director and CEO, Mercedes-Benz India, said.

NEXT GROWTH ENGINE

The company's electric vehicle business is expanding much faster than its overall operations.

Premium battery electric vehicles priced above ₹1.4 crore recorded 85 per cent growth in the second quarter, led by the EQS SUV, while the newly-launched CLA BEV strengthened demand in the entry luxury segment.

The CLA BEV has already sold out its initial allocation, with waiting periods stretching five to six months, suggesting affluent buyers are increasingly embracing electric mobility. The performance highlights the widening divide between India's luxury and mass-market passenger vehicle segments.

Customers are not simply buying more luxury cars; they are buying more expensive ones.

LONG WAITING PERIOD

Waiting periods for several TEL models range from four months to as long as one year for the AMG G 63, while the long-wheelbase E-Class remained India's highest-selling luxury car during the first half.

Mercedes' entry luxury portfolio also expanded 29 per cent in the second quarter, supported by the CLA BEV and GLA SUV.

The trend comes even as the broader passenger vehicle industry grapples with slower demand and elevated dealer inventories, underscoring the resilience of affluent consumers and the growing appeal of premium electric vehicles.

The Economic Times, 9 July 2026

Chinese Car Sales Slump for Ninth Straight Month

Car sales in China fell for a ninth consecutive month in June, as automakers increasingly turn to export markets to cushion the impact of sluggish local demand.

Domestic passenger vehicle sales fell 23.4% from a year earlier to 1.62 million units last month, following a 22.3% decline in May, data from the China Passenger Car Association (CPCA) showed on Wednesday. Car exports jumped 82.1% to 882,000 vehicles last month.

First-half domestic sales were down 20.4% to 8.8 million vehicles, while car exports rose 70.6% to 4.28 million.

The run of sales declines in China reflects tightened household spending in a sputtering economy, where uneven growth has weighed on price-sensitive consumers the most.

With reduced government subsidies particularly for budget cars, sales of gasoline and electrified models priced under 80,000 yuan ($11,776) saw falls of 34% and 43%, respectively, in the first five months of the year, according to data from the China Association of Automobile Manufacturers. **Reuters**

Business Line, 10 July 2026

Battery materials, auto component makers draw over ₹540 crore as supply chain investment cycle accelerates

Amit Vijay Mohile
Mumbai

Nearly ₹540 crore of disclosed investments announced at the start of the second quarter of FY27 underscore a growing shift in capital towards India's automotive supply chain, with investors backing battery materials, advanced manufacturing and localisation even as ICRA estimates the auto component industry will invest ₹ 20,000-25,000 crore during FY27.

Leading the investment cycle, Australian battery materials company Sicona Battery Technologies, backed by Himadri Speciality Chemical Ltd, secured up to A$ 45 million (around ₹255 crore) from the Australian Renewable Energy Agency (ARENA) to commercialise its silicon-carbon anode technology for lithium-ion batteries. Automotive component supplier JRG Automotive Industries raised ₹125 crore from Piramal Alternatives to expand manufacturing capacity, modernise factories and pursue acquisitions, while AISIN announced a ₹150-crore expansion in Punjab to localise premium transmission and powertrain components.

CAPEX SURGE. ICRA estimates that the auto component industry will invest ₹20,000-25,000 crore during FY27 REUTERS

The investments follow Himadri's decision last month to raise its stake in US-headquartered International Battery Company (IBC) to 20.47 per cent through an additional investment of $0.66 million, strengthening its presence across the battery materials value chain.

Fresh investment is increasingly targeting battery materials, precision manufacturing, automotive electronics and other high-value components where India continues to rely on imports despite the auto component industry's ₹7.6 lakh crore turnover and ICRA's projected ₹20,000-25,000 crore capex cycle for FY27.

MATERIALS GAIN SCALE

The transactions point to a broader shift in capital allocation across India's automotive ecosystem.

Rather than flowing primarily into vehicle manufacturers, fresh investments are increasingly targeting upstream technologies and manufacturing capabilities that improve domestic value addition, accelerate localisation and position suppliers to capture rising domestic and export demand.

FRESH CAPITAL

"The fresh capital endorsement will allow us to scale our manufacturing capabilities and infrastructure to better serve our long-term OEM partners," said Pawan Goyal, Managing Director, JRG Automotive Industries.

Business Standard, 10 July 2026

Honda 2W recalibrating EV strategy: CEO

DEEPAK PATEL
New Delhi, 9 July

Honda Motorcycle and Scooter India (HMSI) is recalibrating its electric vehicle (EV) strategy after studying customer concerns around battery life and resale value, and will launch another electric scooter (e-scooter) this year, its President and Chief Executive Officer Tsutsumu Otani told *Business Standard* on Thursday.

HMSI's EV journey has been relatively slow since the launch of the Activa e: and QC1 in early 2025. According to Society of Indian Automobile Manufacturers (Siam), the company dispatched 5,445 e-scooters to dealers in the first year, while Vahan data showed customer deliveries of 3,723 units during the period, prompting HMSI to temporarily halt production from August 2025 because of high dealer inventory.

Demand has picked up gradually this year, with cumulative retail sales crossing 6,250 units by the end of June, making it the company's best month for EV deliveries so far.

Otani said he expected HMSI's overall domestic sales to grow by 5-6 per cent in 2026-27, with production capacity remaining the key constraint.

"As you know, HMSI already has strong production capacity. However, at present, our production capacity is quite limited, so our ability to meet higher demand is constrained. We expect domestic sales to be over 6 million units. At the same time, our business is not only focused on the domestic market; exports are also an important part of HMSI's operations. Maintaining the right balance between domestic sales and exports is important. Considering our current production capacity, 5-6 per cent growth is possible," he said.

According to Siam data, HMSI's domestic sales in 2025-26 (April 2025-March 2026) stood at 5.75 million units, up 9 per cent year-on-year. Exports rose around 15 per cent Y-o-Y to 620,000 units, taking the company's total sales for the financial year to 6.37 million units.

Otani said the EV business is different from the internal combustion engine (ICE) business. In the ICE segment, customers have many years of experience and expect to use their vehicles for 10 years or more. "They also expect the vehicle to retain its value, even after five years," he said. "In the EV business, however, battery technology is still evolving, and customers are still trying to understand how battery life and long-term value will develop. As a result, some customers continue to compare EVs with ICE vehicles in terms of asset value," he added.

"SINCE THE EV MARKET IS STILL AT AN EARLY STAGE, WE ARE CLOSELY ANALYSING CUSTOMER BEHAVIOUR AND THE MARKET"

Tsutsumu Otani
President and CEO,
Honda Motorcycle & Scooter India

"Since the EV market is still at an early stage, we are closely analysing customer behaviour and the market, including how resale values evolve as more used EVs enter the market. We feel that customers are concerned about how quickly the value of EVs may decline, and we are studying these aspects carefully as the market develops. We are deeply analysing the value of EVs from a customer's perspective, and we are recalibrating our strategy accordingly," he said.

Otani said that HMSI would expand its EV portfolio this year. "Yes. We have plans to launch one product this year." On the pace of electrification, Otani said customer demand would remain the deciding factor. "It's unclear. It depends on the government's strategy. If it is driven by normal customer demand, it will not increase suddenly."

Responding to a question on Delhi's proposal to completely stop registrations of new ICE two-wheelers (2Ws) from April 2028, Otani said Honda would comply with government policy but expects the transition to EVs to differ between scooters and motorcycles.

"We will follow the government's direction. However, I think it is important to recognise that the 2W market is not uniform. There are broadly two types of products — scooters and motorcycles. For scooters, the shift from ICE to EV may be relatively easier because the usage pattern is quite similar. However, for motorcycles, especially riding motorcycles, the transition may not be so easy. So, the actual market transition may be more gradual," he said.

Otani also said HMSI launched one flexible-fuel motorcycle last year and will introduce another this year, while reiterating that future adoption would depend largely on the availability of fuel infrastructure.

Business Line, 14 July 2026

Auto retail sector chases three crore annual sales amid financing overhaul

Amit Vijay Mohile
Mumbai

The auto retail industry is on track to cross the three crore annual vehicle sales milestone this fiscal year, underpinning a vehicle finance market estimated around ₹2.65 lakh crore and a motor insurance industry nearing ₹1.25 lakh crore.

As the financial ecosystem expands, automobile dealers are urging banks, NBFCs and insurers to adopt dealer-centric credit models, real-time funding dashboards and integrated digital platforms to improve working capital, reduce settlement delays and enhance customer experience.

These issues came into sharp focus at the Federation of Automobile Dealers Associations' (FADA) fifth Banking & Insurance Summit on Friday, where FADA President CS Vighneshwar joined senior executives, including Abhinav Garg of AU Small Finance Bank, Baneswar Banerjee of Mahindra & Mahindra Financial Services, Puneet Dhawan of Tata Capital, Rohit Chhabra of ICICI Lombard General Insurance, Gurpreet Singh of New India Assurance, Neelakanta M of IFFCO Tokio General Insurance and Suraj Vasudev of SBI General Insurance, to deliberate on the next phase of automotive retail finance and insurance.

MEASURABLE GAINS

The discussions highlighted measurable gains across the ecosystem. Insurance claim turnaround has reduced from nearly two months to a matter of days, FADA's finance satisfaction score has improved to 841 from 786, and retail funding penetration has reached around 80 per cent. Dealers, however, said the next phase must focus on dealer-centric underwriting, real-time financial visibility and seamless digital integration.

"Insurance and finance are perhaps the two most important partners we work with. One covers the risk of the vehicle, while the other facilitates vehicle ownership. We also use this platform to highlight dealers' common pain points," said CS Vighneshwar, President, FADA.

Calling finance "the oxygen of our business," Sachin Sharma, Governing Council Member, FADA, said faster financing remains critical even as technology transformsecosystem. Panelists said AI-led underwriting, e-KYC, digital bank statement analysis and automated document verification have reduced many loan approvals from days to minutes.

DEALER CREDIT

A key theme at the summit was the need to move beyond OEM-linked lending models. Dealers argued that funding should increasingly reflect a dealership's own financial strength, profitability and repayment record.

"Everybody should be scored based on dealer performance, financial strength and track record. It should not be purely from the OEM lens," said Baneswar Banerjee, Head of Automotive Loans, Mahindra & Mahindra Financial Services, reflecting the broader consensus that dealer-level credit assessment would create a more transparent funding framework.

Participants also backed integrated dealer portals offering real-time visibility into inventory funding, credit limits, interest costs and transaction history, replacing periodic statements with connected digital platforms.

"Dealers will definitely get a dealer portal where they can raise queries and access real-time information," said Puneet Dhawan, Business Head – Medium & Commercial Vehicle Finance, Tata Capital.

DIGITAL INTEGRATION

Insurance executives said digital claim intimation, e-surveys, automated documentation and AI-enabled workflows have significantly improved claims processing. However, a recent FADA survey found 65 per cent of dealers still cited survey appointments and claim approval turnaround as major pain points.

Rohit Chhabra, Head of Motor Insurance & Extended Warranty, ICICI Lombard General Insurance, said greater visibility across every stage of the claims process would improve transparency for both dealers and customers.

Participants added that total-loss settlements have improved by months, but still require tighter digital integration among insurers, financiers and authorities.

Business Line, 14 July 2026

Honda plans to enter the sub-4 metre SUV segment, accelerate electrification

T E Raja Simhan
Chennai

Honda Cars India is preparing to enter India's highly competitive sub-4 metre SUV segment in 2028 as part of a broader strategy to regain market share.

This reflects the structural shift in India's passenger vehicle market, where compact SUVs have emerged as the fastest-growing category, Kunal Behl, Vice-President, Sales and Marketing, Honda Cars India Ltd, told *businessline*. "The sub-4 metre space was missing from our portfolio. It is important for us to be present in both SUV segments," he said. Hatchbacks have been shrinking at a compound annual growth rate of around 4 per cent over the past five years, while sub-4 metre has grown by more than 20 per cent annually, he added.

Kunal Behl, VP, Marketing and Sales, Honda Cars India Ltd
BIJOY GHOSH

The proposed compact SUV will be offered with multiple power train options, although Honda has not disclosed whether these will include petrol, hybrid or battery electric variants.

EV PUSH

Behl said Honda is also accelerating its electrification roadmap with plans for its first India-developed battery electric vehicle SUV to be launched in the second half of the current financial year.

Honda plans to offer petrol, hybrid and battery electric vehicles based on customer preferences while continuing to stay away from diesel, he said.

On fresh manufacturing investments, Behl said the company's Tapukara facility in Rajasthan, with an installed annual capacity of 1.8 lakh units, is currently operating at 60-70 per cent utilisation and caters to both domestic and export markets. The Japanese auto major will focus on improving utilisation through an expanded product portfolio before committing to additional capacity, he said.

FRESH INVESTMENTS

"As demand grows, we will evaluate expansion options, but the first objective is to utilise the existing plant better," Behl said, adding that the company is evaluating multiple expansion options without specifying a utilisation threshold for fresh investments.

Honda has lined up six launches during the current calendar year, including the new electric SUV. The broader product offensive is aimed at boosting plant utilisation and strengthening the company's position in India's evolving passenger vehicle market, said Behl.

Tamil Nadu contributes nearly 12 per cent of the overall domestic sales for Honda. The company has a warehouse for spare parts in the State but no immediate plans for manufacturing.

Business Line, 15 July 2026

Volkswagen's global model cull may enhance India's production role

Amit Vijay Mohile
Mumbai

The Volkswagen Group's plan to eliminate up to 50 per cent of its global model portfolio and 75 per cent of its powertrain and equipment variants by 2030 is expected to reinforce, not derail, its India strategy, where much of the simplification has already been completed under the India 2.0 programme.

Industry executives and people familiar with the company's long-term plans that *businessline* spoke to said, "The more significant impact will be on future investment decisions, with every new India programme likely to face stricter scrutiny on localisation, shared platforms, export potential and returns, while niche imports and standalone products will have to clear a much higher commercial hurdle."

INDIA'S IMPORTANCE

There is another side to the same story.

"India may become more important as a manufacturing and localisation base, while becoming narrower as a showcase for Volkswagen Group's full international portfolio," said one senior executive from the company's India operations.

The German automaker announced the global restructuring as part of CEO Oliver Blume's 'Future Plan', which targets a leaner product portfolio, lower manufacturing complexity, annual production capacity of about 9 million vehicles and an 8-10 per cent return on sales.

While the programme is designed primarily to address structural cost pressures in Europe and China, people familiar with the group's long-term strategy said India is expected to remain one of Volkswagen's key growth and localisation markets.

Among the most vulnerable are coupe-SUVs, cabriolets and low-volume derivatives across the Volkswagen, Audi and Porsche portfolios.

CONSOLIDATION

Unlike Europe, where Volkswagen is trying to eliminate duplicate platforms and overlapping products, India has already completed much of that consolidation under its India 2.0 programme.

"For India, the restructuring is less about losing products and more about gaining strategic importance as Volkswagen concentrates global investment on efficient, scalable manufacturing hubs," said a senior analyst from a leading brokerage.

Business Line, 15 July 2026

Hero MotoCorp unveils long-term growth blueprint

TECH-DRIVEN ROADMAP. Key focus on premiumisation, AI and global expansion

Amit Vijay Mohile
Mumbai

GRAND VISION. The company will evolve from being a volume-driven motorcycle maker towards a broader mobility ecosystem powered by technology and digital capabilities

Hero MotoCorp Chairman Pawan Munjal and CEO Harshavardhan Chitale have used the company's FY26 annual report to unveil a long-term growth blueprint centred on premiumisation, technology, connected mobility, artificial intelligence (AI) and global expansion, offering shareholders the clearest roadmap yet for the next phase of growth at the country's largest two-wheeler manufacturer.

Hero MotoCorp's next chapter will be driven as much by technology, software, premium products and international markets as by motorcycles themselves, according to Munjal and Chitale.

Rather than focusing primarily on volumes, market share or individual product launches, they describe a company preparing for fundamental shifts in mobility through investments in AI, connected vehicle platforms, multiple low-emission powertrains, digital manufacturing, premiumisation and global expansion.

The strategy provides the broader framework underpinning Hero's future product and investment plans.

MOBILITY ENTERPRISE

Munjal's message to shareholders centres on redefining Hero's identity. "Our journey began with a singular mission — to democratise mobility for millions. Today, we are evolving into a diversified mobility and technology enterprise."

He highlighted investments across electric mobility, connected ecosystems, premium segments, advanced R&D, digital platforms, intelligent manufacturing, global partnerships and sustainable operations.

The vision marks a significant evolution from Hero's traditional positioning as a volume-driven motorcycle manufacturer toward becoming a broader mobility ecosystem powered by technology and digital capabilities.

The annual report reinforces this transformation through Hero's Connected Vehicle Platform, which manages the entire vehicle and customer lifecycle — from production to end-of-life — using connected technologies and over-the-air software updates.

This enables the company to maintain engagement with customers long after the initial sale.

CONNECTED TECH

While Hero continues to expand its electric mobility portfolio, Chitale's letter suggested the company is deliberately avoiding an EV-only strategy. Instead, he emphasised investments in connected technologies, digital capabilities and multiple low-emission powertrains, signalling a technology-agnostic approach as consumer preferences and regulatory frameworks continue to evolve.

"We remain focused on strengthening our core business, accelerating growth in premium and electric mobility, expanding our global footprint and building a more agile, future-ready organisation," Chitale said.

The strategy focuses on reinforcing Hero's existing motorcycle business while simultaneously creating new growth engines in premium mobility, exports and digital capabilities, rather than replacing one business with another.

CAPABILITIES FIRST

A recurring theme in both shareholder letters is the belief that future competitiveness will depend less on manufacturing scale alone and more on organisational capabilities.

AI, digital engineering, resilient supply chains, intelligent manufacturing, software platforms and faster product development feature prominently throughout the report as the capabilities Hero believes will define success in the coming decade.

Business Line, 1 July 2026

Bajaj Auto overtakes TVS to lead electric two-wheeler market in June

REVVING UP. India's E2W market posted strong growth during the month, with registrations rising 52% y-o-y

T E Raja Simhan

Chennai

Bajaj Auto zipped past TVS Motor Company in electric two-wheeler sales in June, a month when the segment crossed the 10 per cent penetration mark.

Bajaj Auto registered sales of 50,741 units (18 per cent market share) compared with 30,593 units in June last year.

TVS Motor was a close second with 47,952 registrations (17 per cent share), up from 28,428 units, as per Vahan data on June 20 morning.

Ather Energy continued its growth trajectory with 29,423 registrations, compared with 16,015 units in June 2025, increasing its market share to 10 per cent from 9 per cent.

Overall, India's electric two-wheeler (E2W) market posted strong growth in June 2026, with registrations rising 52 per cent year-on-year to 2.85 lakh units, driven by growing consumer acceptance, wider model availability and stronger participation by established manufacturers. Both pure EV and battery-operated Vehicles have been considered for this analysis.

Registrations also increased 74 per cent sequentially, and electric two-wheelers accounted for about 10.5 per cent of total two-wheeler sales during the month.

Soaring registrations

Company	June 2025	Market share%	June 2026	Market share%
Bajaj Auto	30,593	16	50,741	18
TVS Motor	28,428	15	47,952	17
Ather Energy	16,015	9	29,423	10
Hero Motocorp	7,921	4	20,218	7
OLA Electric	20,697	11	15,096	5

Source: Data from Vahan collated at 7 am on June 30, 2026

The standout development in June was E2W penetration crossing 10% for the first time, signalling wider market acceptance

Hero MotoCorp emerged as the fastest-growing player, with registrations more than doubling to 20,218 units from 7,921 units a year ago. Its market share rose to 7 per cent from 4 per cent.

In contrast, Ola Electric continued to lose ground. Its registrations fell to 15,096 units from 20,697 units in June 2025.

BROADER ACCEPTANCE

"The standout development in June was E2W penetration crossing the 10 per cent mark for the first time, underscoring the sector's transition from early adoption to broader market acceptance," said Poonam Upadhyay, Director, Crisil Ratings.

She attributed the growth to improving affordability on a total cost-of-ownership basis, a wider range of models and increasing participation by established original equipment manufacturers.

"The rise in penetration from 7.3 per cent in June 2025 and 9.3 per cent in May 2026 to around 10.5 per cent in June 2026, alongside robust growth in registrations, highlights the sustained momentum in EV adoption and reinforces the increasing mainstream acceptance of electric two-wheelers within the broader mobility market," she said.

Business Standard, 2 July 2026

TaMo widens EV lead as competition hots up

SOHINI DAS
Mumbai, 1 July

Tata Motors (TaMo) has widened its lead in India's fast-expanding electric passenger vehicle (ePV) market even as competition intensified with a wave of new launches. Simultaneously, the company has gained market share in the broader PV segment, underscoring its ability to defend its position in an increasingly crowded market.

According to Vahan registration data for the first quarter of financial year 2026-27 (Q1FY27), Tata.ev's market share in ePVs rose to 39 per cent from 36.1 per cent a year earlier. In the overall PV market, Tata Motors' share increased to 14.2 per cent from 12.5 per cent, reinforcing its position as the country's second-largest carmaker by both retail registrations and wholesale dispatches.

Shailesh Chandra, managing director, Tata Motors Passenger Vehicles, said the firm delivered "industry-beating growth" during the quarter, with EV volumes more than doubling year-on-year (Y-o-Y) and Vahan registrations rising around 40 per cent, nearly twice the industry's growth.

The gains come as the competitive landscape has changed dramatically over the past year. Mahindra has expanded its electric portfolio with the BE 6 and XEV 9e, while JSW MG Motor India has strengthened its line-up with the Windsor EV, Comet EV and ZS EV. Maruti Suzuki entered the segment this year with the eVitara, while VinFast has begun making inroads into the Indian market. Meanwhile, Hyundai, Kia, and BYD continue to expand their electric offerings.

Despite intensifying competition, Tata.ev expanded its market share while retaining its leadership position. Mahindra increased its market share to 24.3 per cent in Q1FY27 from 23.2 per cent a year earlier, while JSW MG's share declined to 20 per cent from 30.9 per cent despite the popularity of the Windsor EV. New entrants Maruti Suzuki and VinFast captured 5.9 per cent and 4.8 per cent of the market, respectively, in their first full quarter, while Hyundai's share fell to 1.7 per cent from 4.9 per cent and BYD's eased to 2.6 per cent from 3.8 per cent, according to Vahan data.

Charged up

EV sales (units)

OEM	Q1FY26	Q1FY27
Tata Motors	15,794	32,283
M&M	10,144	20,112
JSW MG Motor	13,499	16,502
Maruti Suzuki	0	4,894
VinFast	0	3,973
BYD	1,671	2,173
Hyundai	2,142	1,386
Kia	133	1,304
Stellantis	327	78
Toyota	0	32

Source: Companies

Business Line, 3 July 2026

Hero, Ather and Greaves drive 58 per cent of India's incremental e2W sales in H1 CY26

Amit Vijay Mohile
Mumbai

An analysis of Vahan retail registration data by *businessline* shows that Hero MotoCorp, Ather Energy, Greaves Electric Mobility, River and BGauss contributed 1,90,054 of the industry's 3,25,286 additional electric two-wheelers (e2Ws) sold during H1 CY26, accounting for 58.4 per cent of incremental sales.

Their combined market share expanded to 37 per cent in H1 CY26 from 26 per cent a year earlier, indicating the market is evolving into a broader, more competitive ecosystem.

STRUCTURAL SHIFT

The biggest structural shift is occurring below the market leaders. Greaves Electric Mobility, River and BGauss are transforming what was once a fragmented tail of smaller manufacturers into a meaningful middle tier, reducing the industry's reliance on a few big brands.

Greaves delivered one of the strongest performances. H1 registrations rose 65.2 per cent, ahead of the industry's 51.4 per cent growth, while Q1 registrations jumped 94.4 per cent versus the industry's 63.9 per cent. June registrations increased 31.1 per cent over May—the strongest month-on-month gain among leading OEMs—as the company crossed 10,000 monthly registrations.

"Crossing the four-lakh milestone reflects the growing trust customers have placed in Ampere, as electric mobility moves into the mainstream," said Vikas Singh, MD, Greaves Electric Mobility, adding that wider retail reach, durable products and lower ownership costs would drive long-term growth.

River continued scaling rapidly from a small base, while BGauss maintained strong momentum. BGauss' H1 registrations grew 82.1 per cent, with Q1 volumes more than doubling and June registrations rising 12 per cent over May. "As customers become more confident about electric mobility, they are evaluating products on quality, reliability, safety and after-sales support," said Hemant Kabra, Founder and MD, BGauss Electric.

Hero MotoCorp emerged as the industry's biggest breakout story. H1 registrations more than tripled to 104,417 units from 34,379 a year earlier, while Q1 FY27 registrations surged 155.8 per cent, signalling that its EV strategy is gaining scale. Ather Energy also strengthened its position as the leading pure-play e2W manufacturer. H1 registrations nearly doubled to 167,176 units.

KEY DRIVERS

Analysts attribute the market expansion to both improving economics and stronger product offerings. Higher fuel prices following geopolitical tensions in West Asia widened the running-cost advantage of e2Ws. "Two-wheelers remain India's most price-sensitive vehicle category, but the EV shift is supported by running-cost economics," said Ankit Patel, Co-Founder and Partner, Arunasset Investment Services.

E2W penetration rose to 8.5 per cent in H1 CY26 from 6.6 per cent in H1 CY25, while June reached 10.5 per cent, according to Equirus Securities. The data also suggest incremental demand is increasingly being shared by a wider group of manufacturers, creating a more balanced and competitive market.

Business Line, 8 July 2026

EV registrations race to an all-time high in June, surge 63 per cent to 3.06 lakh units: FADA

S Ronendra Singh
New Delhi

June 2026 was a defining month in India's mobility transition with the industry retailing 3,06,220 electric vehicles (EVs) — an all-time high — and nearly 63 per cent higher than 1,88,058 units in the corresponding month last year, the Federation of Automobile Dealers Associations (FADA), said on Tuesday.

"June 2026 was an all-time high in FADA's records and nearly 63 per cent higher than a year ago — even as the broader market navigated a delayed monsoon and a seasonally-lean patch. What makes this transition durable is its breadth and ownership. Legacy manufacturers now lead the electric two-wheeler space, established players are scaling electric cars and commercial vehicles, and new entrants — both Indian and global — are choosing India as a priority market," CS Vigneshwar, President, FADA, said.

LEADING THE PACK. In the ePV segment, Tata Motors continued to lead the market, retailing 12,187 units REUTERS

SALES GROWTH

Encouragingly, this was not a single-category story, he said, adding that electric passenger vehicles (ePVs) at 31,823 units and electric commercial vehicles (eCVs) at 3,214 units delivered their best-ever months, while electric two-wheelers (e2Ws) held strong at 1,93,735 units, and electric three-wheelers (e3Ws) reached 77,448 units.

The ePVs retail sales grew 108 per cent year-on-year from 15,318 units in June last year, while e2Ws sales grew 75 per cent from 1,10,719 units). Similarly, eCVs sales grew 164 per cent from 1,219 units and e3Ws grew 27.38 per cent from 60,802 units in June 2025, the FADA retail data indicated.

EPV SEGMENT

In the ePV segment, Tata Motors continued to lead the market retailing 12,187 units (5,375 units), followed by Mahindra & Mahindra at 7,766 units (3,513 units) and JSW MG Motor India at 5,861 units (4,691 units).

In the e2W segment, TVS Motor led the market with registration of 47,064 units (26,734 units), followed by Bajaj Auto at 43,306 units (23,987), Ather Energy at 31,230 units (16,015 units) and Hero MotoCorp (Vida) at 21,820 units (7,920 units).

Once the market leader, Ola Electric has slipped to fifth place with sales of 16,150 units in June (20,697 units).

EV PENETRATION

"With overall EV penetration crossing 12 per cent for the first time — led by three-wheelers, where over 64 per cent of retail is now electric, and two-wheelers, now in double-digits at 10.6 per cent — electrification has moved decisively from the margins to the mainstream of Indian auto retail," Vigneshwar said.

This is the India growth story expressing itself in clean, self-reliant mobility: Rising aspiration, widening affordability and a customer increasingly ready to go electric wherever the product, the charging ecosystem and the economics come together, he added.

Business Standard, 8 July 2026

EV penetration crosses 12% for the first time

ANJALI SINGH
Mumbai, 7 July

Full charge ahead

Two-wheeler OEMs	Jun 2026	Y-o-Y chg (%)
TVS Motor Company	47,064	76.05
Bajaj Auto	43,306	80.54
Ather Energy	31,230	95.00
Hero Motocorp	21,820	175.51
Ola Electric	16,150	-21.97
Total	1,93,735	74.98

Source: FADA

India's electric vehicle (EV) market accounted for more than 12 per cent of overall vehicle retail sales for the first time in June 2026, according to data released by the Federation of Automobile Dealers Associations (Fada).

This growth was driven by strong demand across segments, with electric two-wheelers (e2Ws) recording double-digit market penetration at 10.6 per cent, signalling that mass-market adoption is gaining pace.

Overall EV retail sales rose nearly 63 per cent year-on-year (Y-o-Y) and hit a record 306,220 units in June, making it the highest monthly EV retail volume recorded by Fada.

Electric passenger vehicles (ePVs) and electric commercial vehicles (eCVs) also registered their best ever monthly retail sales at 31,823 units and 3,214 units, respectively, while electric three-wheelers (e3Ws) continued to dominate with 77,448 units and penetration of more than 64 per cent.

The e2W segment remained the largest contributor to overall EV sales, with retail volumes rising nearly 75 per cent Y-o-Y to 193,735 units. Legacy manufacturers continued to strengthen their hold on the market.

TVS Motor Company retained its leadership in the e2W retail market with sales of 47,064 units in June, up 76.05 per cent from a year ago. Bajaj Auto followed with 43,306 units, registering an 80.54 per cent increase, while Ather Energy nearly doubled its retail sales to 31,230 units, up 95 per cent.

Hero MotoCorp emerged as the fastest-growing major player, with e2W retail sales jumping 175.51 per cent Y-o-Y to 21,820 units. In contrast, Ola Electric continued to lose ground, with retail sales declining 21.97 per cent to 16,150 units during the month.

Commenting on the performance, Fada President C S Vigneshwar said June was a defining month in India's mobility transition, with growth witnessed across all EV segments rather than being concentrated in a single category. He said the industry was seeing a broader shift as electrification moved from the margins to the mainstream, supported by improving affordability, a growing charging ecosystem, and expanding product choices.

According to Fada, the evolving market reflects the increasing participation of established automobile manufacturers in the EV space, alongside new domestic and global entrants, reinforcing India's position as a priority market for electric mobility.

The industry body said rising consumer confidence, improving economics, and wider model availability are expected to sustain the momentum in the coming months.

Business Line, 9 July 2026

Sun Mobility to launch battery-swapping platform for e-trucks

Amit Vijay Mohile
Mumbai

Bengaluru-based Sun Mobility is making its biggest push yet into the commercial electric vehicle (EV) market with the launch of what it describes as the world's first modular battery-swapping platform for electric trucks and buses across the 3-tonne to 55-tonne segment. It plans to showcase the product, developed and demonstrated with the Tata Motors' Starbus 12m EV.

Backed by a $78-million (about ₹650 crore) investment through its IndoFast Swap Energy joint venture with Indian Oil Corporation (IOCL), the platform will make its public debut at Pravaas 5.0 in Gandhinagar from July 9 to 11. If adopted by multiple manufacturers, the OEM-agnostic battery architecture could create a common energy infrastructure for commercial EVs, replacing proprietary battery ecosystems with a shared swapping network.

"We are not accelerating the transition to electric mobility. We are eliminating the barriers that slowed it down with the world's first modular multi-battery swapping technology," said Chetan Maini, Co-founder and Chairman of Sun Mobility, ahead of the launch.

PLATFORM STRATEGY

The platform received AIS-038 certification from the Automotive Research Association of India in March, becoming the first indigenously-developed high-voltage swappable battery

The platform received AIS-038 certification from the Automotive Research Association of India in March

platform for trucks and buses.

The platform supports 330-volt and 660-volt electrical architectures. It uses modular 50 kWh and 100 kWh battery packs that can be automatically swapped in under three minutes.

BATTERY ECONOMICS

Sun Mobility is targeting one of the biggest hurdles to commercial vehicle electrification: battery economics.. Electric buses and trucks typically use fixed battery packs of 200-400 kWh, increasing vehicle acquisition costs while reducing payload because of battery weight. Charging these vehicles can take between 90 minutes and four hours, lowering fleet utilisation for operators whose revenues depend on keeping vehicles on the road.

The opportunity is significant because private operators own nearly 90 per cent of the commercial buses and trucks, making operating economics and vehicle uptime critical to EV adoption.

BAAS MODEL

Sun Mobility's Battery-as-a-Service (BaaS) model separates battery ownership from the vehicle. Fleet operators purchase the vehicle while paying only for the energy consumed. According to the company, the model reduces the upfront acquisition cost of an electric bus or truck by about 40 per cent, bringing prices closer to comparable diesel and CNG vehicles. Operators can optimise payload by carrying only the battery modules required for a particular route instead of oversized fixed battery packs.

IndoFast Swap Energy will establish automated battery-swapping stations across IOCL's fuel retail network, while Sun Mobility supplies the battery technology, swapping systems and manufacturing. The initial rollout will focus on high-density freight corridors and intercity bus routes, allowing operators to swap batteries at highway locations instead of investing in dedicated charging depots.

Business Line, 6 July 2026

EV companies raise ₹3,800 crore as investor interest accelerates

STRATEGIC FUNDING. Four major fundraising deals showcase investment appetite in automobile, EV ecosystem

Amit Vijay Mohile
Mumbai

India's automobile sector is attracting fresh capital amid resilient vehicle demand, with companies raising nearly ₹3,800 crore through four major fundraising deals in recent months, according to an Equirus Capital report.

The fundraising activity spans original equipment manufacturers (OEMs), electric vehicle start-ups and mobility operators, reflecting broad-based investor interest across the automotive value chain as companies invest in manufacturing capacity, fleet expansion and balance-sheet strengthening.

FOCUSED INVESTMENT. The fundraising activity spans OEMs, electric vehicle start-ups and mobility operators

FUNDRAISING ACTIVITY

Craftsman Automation led the fundraising activity, raising around ₹2,000 crore through a qualified institutional placement (QIP), with the proceeds earmarked largely for debt reduction and capacity expansion.

Ola Electric Mobility mobilised nearly ₹780 crore through a QIP to strengthen its balance sheet, expand manufacturing and support future growth initiatives.

Bengaluru-based EV manufacturer Simple Energy raised around ₹250 crore through a Series B funding round to scale production, while JBM Ecolife Mobility secured approximately ₹750 crore in strategic funding to expand its operational electric bus fleet from around 3,400 buses to nearly 5,000 buses over the next 12 months.

CAPITAL EXPENDITURE

Investment activity extended beyond fundraising. Rane (Madras) entered into an agreement to acquire Hindustan Composites' friction business for around ₹370 crore, while Sona BLW Precision Forgings approved around ₹63 crore of capital expenditure to diversify into the manufacturing of robotics components, highlighting continued investment across the broader mobility ecosystem. The report highlighted continued progress in India's transition to electric mobility.

Policy support for the transition has also continued to strengthen.

The Delhi Government notified the Delhi Electric Vehicles Policy 2026, which envisages an investment plan of around ₹15,000 crore to accelerate EV adoption through fiscal incentives and phased electrification targets.

According to Equirus, the combination of sustained fundraising, strategic acquisitions, resilient domestic demand and rising EV adoption provides a supportive backdrop for the automobile sector's medium- to long-term growth, with auto ancillary companies continuing to account for a significant share of overall deal activity.

Business Line, 10 July 2026

Nissan bets on India revival with Tekton, maps EV entry by 2028

GRAND PLAN. To expand domestic line-up from one locally-manufactured model to four

Amit Vijay Mohile
Mumbai

Nissan Motor India on Thursday launched the all-new Tekton mid-size SUV at an introductory price of ₹10.49 lakh (ex-showroom), using the launch to outline a broader revival strategy that includes expanding its locally-manufactured portfolio to four models and entering the country's electric vehicle (EV) market by around 2028.

For Nissan, which holds about 0.6-0.7 per cent of India's passenger vehicle market, the Tekton is intended to become a second volume pillar alongside the Magnite, as it rebuilds its presence in one of the world's fastest-growing automotive markets.

"We are building a stronger and more competitive Nissan in India," said Guillaume Cartier, Chief Performance Officer, Nissan.

The Japanese automaker said it is evaluating multiple pathways for its India EV programme, including local manufacturing, imports and technology partnerships, as it prepares for the industry's transition to the tighter CAFE-III norms.

MARKET AVAILABILITY. Bookings for the Tekton opened on Thursday, ahead of deliveries beginning on July 20 PTI

Bookings for the Tekton opened on Thursday, ahead of deliveries beginning on July 20. Built on the Renault-Nissan Alliance's CMF-B platform, the five-seater SUV marks Nissan's return to India's mid-size SUV segment and will compete with rivals such as the Hyundai Creta, Kia Seltos and Maruti Suzuki Grand Vitara.

BUILDING SCALE

The company plans to expand its domestic line-up from one locally-manufactured model to four.

The Tekton will be produced at the Renault-Nissan Alliance plant in Chennai under Nissan's "One Car, One World" philosophy and exported to West Asia and Africa. The company said localisation will increase as the supplier ecosystem matures, strengthening the country's role as both a manufacturing and export hub.

EV ROADMAP

Alongside its product expansion, Nissan offered its clearest indication yet of its India electrification strategy. It is assessing whether future EVs should be manufactured locally, introduced through partnerships or brought in as imports, with the final approach depending on customer demand, charging infrastructure, government policy, battery sourcing and commercial viability.

"We can partner, we can manufacture, and we can bring one," company officials said, outlining the options under evaluation and adding that electrification would be pursued when there is a sustainable business case rather than solely to meet regulatory requirements. Nissan expects to introduce an EV in India around 2028.

HONDA OPTION

Company officials said project-level collaboration with Honda remains one of the technology options under evaluation globally, with discussions continuing around software-defined vehicles, ECUs and next-generation EV technologies. While India forms part of those discussions, no decision had been taken on deploying any such collaboration in the country.

Experts say the timeline could allow the Renault-Nissan Alliance to leverage the investments made in its CMF-B architecture before introducing an affordable EV. One potential pathway is the AmpR Small platform, which shares around half its components with CMF-B, enabling higher localisation, lower investment and greater supplier commonality if selected for India.

The Economic Times, 13 July 2026

Chinese EVs Average Only 1.8 Years on Road, Less than Mobile Phones: Report

Chinese electric vehicles on the road are on average just 1.8 years old, compared with 8.2 years for gasoline-powered cars, 21st Century Business Herald reported, citing a report by the China Association of Automobile Manufacturers and Hejun Consulting.

The newspaper said the figure is shorter than the period many consumers keep their cell phones. Rapid advances in batteries, software and chips have helped accelerate model upgrades, while lower resale values may also be encouraging owners to switch vehicles sooner, the report said.

The average EV after three years is worth 43.35% of its original price, below the equivalent for conventional vehicles, it reported.

Buyers under 35 are the core customer base for new-energy vehicles and tend to place a high priority on smart-driving features and digital experiences, the newspaper reported. It cited data from Dongchedi, a Chinese automotive platform, showing 43% of EV owners replace vehicles primarily to upgrade intelligent features and user experience.

Bloomberg

The Economic Times, 15 July 2026

BMW Races to Catch Up in Chinese EV Market

Reuters

Shanghai | Berlin: BMW is betting on its long-awaited Neue Klasse electric cars to revive its fortunes in China after two years of declining sales. The problem for the German automaker is that China's EV race may have already moved on without it.

BMW, under new CEO Milan Nedeljkovic, issued a shock profit warning last month that it partly blamed on China—its third in less than three years. On Friday, it said China sales plunged 30% in the second quarter. Some shareholders and analysts say BMW has moved too slowly to bring its long-trailed Neue Klasse, or "new class", EVs to a market where Chinese rivals are developing increasingly sophisticated electric cars in as little as 18 months—roughly twice as fast as traditional automakers.

"If this had launched two years ago, it could have been a game-changer," said Yale Zhang, managing director at Shanghai-based research firm Automotive Foresight. "In today's Chinese auto market ... it is hard to stand out."

Chinese buyers increasingly expect the latest technology from homegrown carmakers such as Nio, which has driven its flagship ET9 sedan over speed bumps with a tower of champagne glasses balanced on the bonnet—without spilling a drop—to showcase the vehicle's advanced suspension system.

BMW's first Neue Klasse model for China, the iX3 SUV, is due to go on sale in November.

BMW's challenge reflects the broader struggle facing German premium automakers in China, where the engineering pedigree and combustion-engine heritage that help sell high-margin models in Europe and the US carry less weight with many buyers.

"Chinese consumers no longer buy into that," said Wang Xianbin, vice president of the Gasgoo Research Institute.

Instead, they favour local brands such as Nio, Geely's Zeekr and Xiaomi, which offer intelligent EV features tailored to Chinese tastes.

Chinese premium brands are openly targeting customers of BMW, Audi, Porsche and Mercedes.

Only about 5% of BMW's sales in China are fully electric, according to Global Mobility data, in a market where EVs account for 46% of vehicle sales. BMW's China sales fell in both 2024 and 2025. Sales at Mercedes and Volkswagen's Audi brand are also down, dropping 28% and 19%, respectively, in the first half of this year.

Hendrik Schmidt of DWS, a top-10 BMW investor, said direct China experience was limited among the company's top executives and supervisory board, adding that the scale of the challenge had not been fully appreciated.

"From our perspective, the dynamics here have been considerably underestimated," he said.

A company spokesperson said BMW's senior management had extensive experience in China and the company pursued a country-specific product strategy that includes "a greater focus on highly integrated digital services, advanced connectivity features, and rear-seat comfort".

Business Standard, 15 July 2026

TVS, Bajaj, Hero, Ather drive 96% of e2W growth

H1 SHOWING Ola loses ground as registrations dip 44% to 65,999 units

SOHINI DAS
Mumbai, 14 July

India's electric two-wheeler (e2W) market is consolidating, with established manufacturers TVS Motor, Bajaj Auto and Hero MotoCorp — along with EV specialist Ather Energy — accounting for nearly 96 per cent of incremental registrations in the first half (H1) of 2026.

The data also reveals that, with the exception of Ather, newer EV manufacturers remained marginal players, while former market leader Ola Electric continued to cede ground year-on-year (Y-o-Y).

As many as 970,993 electric two-wheelers were registered during January-June 2026, up 53.3 per cent from 633,599 in the corresponding period last year, according to data from the Federation of Automobile Dealers Associations (Fada). Of the net addition of 337,394 vehicles, TVS, Bajaj, Ather and Hero together contributed 322,621 units, or 95.6 per cent.

The four companies' combined market share increased from 66.6 per cent in the first half (H1) of 2025 to 76.7 per cent in H1 2026, indicating that growth is being captured by a handful of manufacturers with scale, established brands and expanding distribution and service networks.

The data also points to a widening divide within the EV-first cohort. Ather strengthened its position, with registrations rising 91.1 per cent Y-o-Y to 169,020 units and market share increasing to 17.4 per cent from 14 per cent. However, several other early EV entrants remained niche players despite the industry's rapid expansion. River is scaling up from a low base, but Okinawa, Hero and Ampere together accounted for less than one per cent of H1 registrations.

Ola's registrations declined 44.1 per cent Y-o-Y to 65,999 units in H1 2026, reducing the company's share from 18.6 per cent to 6.8 per cent.

The contrast is also evident in the current pace of registrations. Ola averaged around 11,000 electric two-wheelers a month in H1 2026, down from nearly 17,000 a month in 2025. At this rate, the company would register roughly 132,000 vehicles in 2026 — a 35 per cent drop from the 204,527 units it retailed last year.

By comparison, the broader industry is averaging nearly 162,000 registrations a month in H1 2026. This puts the overall market on track to hit 1.94 million units this year, marking a 45 per cent expansion over 2025.

Ola nevertheless showed signs of sequential stabilisation. Registrations increased from 7,808 units in January to 16,150 in June, while the company's Q2 volume of 43,744 units was nearly double the 22,255 registered during Q1. The numbers point to a recovery from weak levels at the start of the year, though not yet to a restoration of market share.

TVS continues to be India's largest electric two-wheeler manufacturer, registering 251,438 units during H1 2026, up 65.7 per cent Y-o-Y. The company's market share increased from 23.9 per cent to 25.9 per cent and it accounted for nearly 30 per cent of the industry's net volume addition — the largest contribution by any manufacturer.

The company had given guidance for industry-beating growth. "We are confident that in Q1, we will post a very good growth, better than the industry," K N Radhakrishnan, director and chief executive officer of TVS Motor Company, had told analysts after the March-quarter results.

While TVS retained its market leadership, Bajaj Auto and Hero gathered momentum in H1 2026. Bajaj's monthly registrations rose 63 per cent from January to June, compared with 30 per cent for TVS, narrowing the gap with the market leader to under 4,000 units in June from more than 9,500 units at the start of the year. Hero more than tripled its H1 registrations Y-o-Y, taking its market share to 10.9 per cent from 5.4 per cent a year earlier.

Bajaj registered 218,089 two-wheelers — up 48 per cent — contributing 70,682 units to the industry's incremental volume. While the company's H1 market share dipped from 23.3 per cent to 22.5 per cent as Ather and Hero grew faster, its sequential momentum strengthened during the half. Its Q2 registrations were 16.6 per cent higher than Q1, compared with a 7.3 per cent increase for TVS.

Brokerage Motilal Oswal said Bajaj Auto's electric scooter business had "ramped up very well over the last few months", particularly after the launch of the affordable Chetak C2501 in January. The company seeks leadership in electric two-wheelers, aided by new launches and higher capacity, it said.

Zooming ahead
Units sold

Company	H12025	H12026	Change (%)
TVS Motor Company	151,707	251,438	65.7
Bajaj Auto	147,407	218,089	48.0
Ather Energy	88,453	169,020	91.1
Hero MotoCorp	34,378	106,019	208.4
Ola Electric	118,032	65,999	-44.1

H1: January-June

Source: Fada Research

TRACTOR

Business Standard, 7 July 2026

Tafe planning to export its e-tractors to Europe

Q&A Tractors and Farm Equipment (Tafe) is investing in making its operations and supply chains more resilient and increasing localisation, amid a shortage of critical materials like tungsten and carbide as well as rising shipping costs. India's second largest tractor maker is also preparing to export electric tractors to Europe this year. In a video interview in Chennai, Tafe Chairman and Managing Director **Mallika Srinivasan** and Vice Chairman **Lakshmi Venu** spoke to **Surajeet Das Gupta** about the changing tractor market scenario. Edited excerpts:

Tafe has been pushing the electric tractor (e-tractor) agenda. How has that progressed?

■ **Srinivasan:** We have already designed and developed an e-tractor as a born electric platform rather than many products in the market that are essentially conventional mechanical tractors converted into electric versions. The entire product has been engineered from the ground up to operate efficiently as an e-tractor, with an automatic transmission and a completely integrated electric architecture. We showcased this tractor at Agritechnica (the world's largest trade fair for agricultural machinery and equipment) in Europe. We are now preparing to launch it in Europe during the third quarter this year at a price of 20,000-22,000 euros which works in Europe but would be unviable in India.

So how do you address the Indian e-tractor market?

■ **Srinivasan:** Our objective in India is to make it affordable and practical for Indian conditions.

We have the technological capability, but the balance between usage (they want eight hours per day operation), battery cost, battery weight and fuel savings has to make economic sense. Unlike passenger cars or two-wheelers, our industry is still at a very early stage when it comes to electrification. It's a niche, emerging segment. We are ahead of the curve.

“OUR FOCUS IS NOT MERELY ON EXPANDING PRODUCTION CAPACITY — WE ARE INVESTING IN MAKING OUR OPERATIONS MORE RESILIENT”

Mallika Srinivasan
Chairman & Managing Director, Tafe

“WORK IS ALSO UNDERWAY ON ETHANOL-BASED SOLUTIONS. SO, FOR INDIA, WE BELIEVE THE TRANSITION WILL HAPPEN IN PHASES”

Lakshmi Venu
Vice Chairman, Tafe

Do you face supply chain constraints being in so many countries and exporting?

■ **Srinivasan:** Many suppliers are operating at full capacity, and supply chains remain extremely tight and shipping costs have gone up. In addition, export restrictions from countries such as China on critical materials like tungsten and carbide have contributed to inflation. Shipping costs have also risen. At the same time, labour costs have increased. So today, we are dealing with both rising demand and higher input costs.

We are also facing labour shortages across manufacturing. That is why our focus is not merely on expanding production capacity — we are investing in making our operations and supply chains more resilient.

We are investing in automation across manufacturing facilities, expanding supplier base and increasing localisation, which has become a strategic priority.

How is the Indian tractor market evolving and is ownership penetration getting deeper?

■ **Venu:** India currently has 11 million tractors with a penetration of 7 per cent of total land parcels and 47 per cent of the eligible households (more than 2 acres of land), suggesting room for significant expansion over time. We are also noticing new tractor buyers going for higher horse power (HP) models. As much as 60 per cent of the sales comes from 45-50 HP tractors. We are increasingly interacting with farmers who are in their 40s, digitally connected, highly informed and actively engaged with farming communities.

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GOVERNMENT POLICY

Business Line, 7 July 2026

E20 is more a communication than a tech issue: Reji Mathai

bl. interview

Amit Vijay Mohile
Mumbai

The Automotive Research Association of India (ARAI) says misinformation and poor communication — not shortcomings in E20 technology — have fuelled much of the public debate over ethanol-blended petrol, even as the government begins evaluating the next phase with E25. ARAI Director-General Reji Mathai says laboratory tests continue to show a 2-6 per cent reduction in fuel efficiency under standard certification conditions, while stressing that any move to higher ethanol blends will undergo the same rigorous durability, emissions and material compatibility studies before any policy decision is taken.

Edited excerpts:

The government has repeatedly cited ARAI's studies to defend E20. Has the agency become the government's scientific shield?

I would not describe this as a controversy. It is a technical issue that requires scientific understanding. The government does not require a shield. Our responsibility is to generate evidence through testing, analyse the results and submit recommendations. Policy decisions are taken by the government.

ARAI says E20 reduces fuel efficiency by 2-6 per cent, while consumers report much higher losses. Why the gap?

Our findings are based on globally-accepted certification procedures carried out under controlled conditions. Under normal operating conditions, the reduction is typically 2-6 per cent. Real-world mileage depends on traffic, driving style, road conditions and vehicle maintenance. Differences observed in daily use cannot automatically be attributed to E20 fuel. OEMs know their products best and should communicate the science more while addressing consumer concerns directly.

> Our findings are based on globally accepted certification procedures carried out under controlled conditions
>
> **REJI MATHAI**
> Director-General, ARAI

Many owners of pre-2023 vehicles are worried about mileage and long-term durability. What does ARAI's data show?

We carried out extensive studies with automobile manufacturers, including accelerated durability tests, long-duration engine evaluations, field trials on six- to 10-year-old vehicles, and material compatibility studies with oil marketing companies. The data is still evolving because older vehicles were certified under different procedures.

Some experts say older vehicles may eventually require retrofits if India moves to higher ethanol blends. Is ARAI studying that?

There is no authorised retrofit programme at present. Any retrofit would require technical studies, safety validation and government approval. Any future transition must preserve BS6 emission standards. The same scientific rigour applied to E20 will be followed before any recommendation on E25 or higher blends.

Should consumers have been told more clearly that E20 could reduce fuel efficiency?

The information was shared with the relevant stakeholders. The biggest lesson from the E20 rollout is that technical information must be communicated more effectively. Social media has amplified misconceptions very quickly. This is more a communication issue than a technology issue.

There were reports that the government described E20 as an "experiment" before the Supreme Court. Did that add to the confusion?

My understanding is that the matter has been clarified. There appears to have been confusion between the existing E20 programme and studies on E25. These are separate exercises, but the misunderstanding added to public confusion.

The government has begun discussions on E25, while there is also talk of E85 and E100. How should consumers view the next phase?

E20 has already been studied, validated and implemented. E25 is only at the technical evaluation stage and will undergo multiple studies before any recommendation is made. E85 and E100 represent a different technology pathway. They require dedicated flex-fuel vehicles for high ethanol blends.

Business Line, 8 July 2026

Petition in SC claims E20 rollout undermines the rights of the consumer

Krishnadas Rajagopal
New Delhi

A petition has been filed in the Supreme Court claiming an element of "silent compulsion" in the E20 petrol rollout while seeking full disclosure on chemical composition and safeguards that may be in place in the case of legacy vehicles.

The petition filed by Supreme Court advocate and petitioner-in-person Narendra Kumar Goswami, besides invoking the fundamental freedoms of equal treatment by the law, right to earn a livelihood and lead a dignified life, raised Article 300A (right to property) and the Consumer Protection Act of 2019 to contend that the right to know the composition, quality, standard and compatibility consequences of a product was not a "decorative consumer slogan but a constitutional requirement when the state itself creates a nationwide compulsory market".

NOT INERT ADDITIVE

Goswami said ethanol was not an inert additive. "Ethanol is hygroscopic, may affect certain fuel-system materials, has lower energy density than petrol, and may have implications for fuel efficiency, engine performance, maintenance, warranty and long-term vehicle health," the petitioner contended.

The lawyer said the Bureau of Indian Standards had issued a separate E20 specification, and the Ministry of Road Transport and Highways had created a staggered compatibility schedule, showing that E20 compatibility was "not universal but vehicle-specific".

"The petition does not seek to roll back India's ethanol-blending policy. It expressly accepts that energy security, reduction of crude oil imports, environmental objectives and support to farmers are legitimate policy goals. The contention in the petition is that a welfare policy cannot be implemented by keeping citizens in the dark about what they are buying, whether their vehicles can safely use it, and whether they have any meaningful alternative," Goswami said.

The petition has sought the constitution of an independent expert committee comprising representatives from the Petroleum Ministry, the Transport Ministry, BIS, and experts from recognised consumer bodies, independent automobile engineers, fuel technologists, environmental experts, public health experts and water resource experts to examine "real-world E20 compatibility".

The Economic Times, 8 July 2026

SIAM asks Centre to Increase Import Duty on Tractors, Prime Movers

New Delhi: Society of Indian Automobile Manufacturers (SIAM) has written to the government requesting it to increase import duties on commercial tractors and prime movers used for logistics and goods movement to 40% to prevent dumping from China.

"The current rate of 10% BCD on import of EV and ICE (internal combustion engine) tractors/prime movers under above the said tariff code (87012400 & 87012100) is allowing the foreign OEMs/brands to import a CBU (completely built up unit) without any depth of operation in India at cheaper cost and penetrate the Indian market", SIAM said in its letter to the Ministry of Heavy Industries (MHI). The letter added since Indian tractor makers are investing heavily to manufacture these EV tractors and prime movers, cheap imports of completely built units by foreign companies "without any substantial investment is posing a threat to business case for domestic EV makers".

SIAM held the import-friendly rate of 10% is incentivising foreign commercial vehicle makers to "dump their product" in India. **–Sharmistha Mukherjee**

Business Standard, 13 July 2026

EPF Scheme, 2026: How subscribers should adapt to revised norms

Use greater flexibility to make partial withdrawals cautiously to avoid depleting retirement corpus

SANJAY KUMAR SINGH & KARTHIK JEROME

The Employees' Provident Funds Scheme, 2026, came into force on June 29, 2026, replacing the scheme that had been in force since 1952. While its broad framework remains unchanged, subscribers must adapt to some of the revised provisions.

What remains the same

Existing members will continue under the EPF Scheme, 2026 without fresh enrolment or migration. The statutory contribution rate remains 12 per cent of wages each for the employer and employee; specified establishments will continue at 10 per cent. The statutory wage ceiling remains ₹15,000 per month. Portability through the Universal Account Number (UAN), nomination facility, the EPF interest rate, and the retirement age also remain unchanged.

Clarification on higher contributions

Employees earning ₹15,000 or less must contribute 12 per cent of wages where EPF applies. Based on the statutory ceiling, the minimum monthly contribution is ₹1,800 each for the employee and employer. The new scheme expressly allows contributions above the statutory rate and on wages exceeding the statutory ceiling. "The introduction of this provision is more in the nature of a statutory clarification than a completely new benefit," says Akhil Chandna, partner – global people solutions leader, Grant Thornton Bharat.

Employees could already contribute above the statutory rate and on wages above ₹15,000. Chandna says the provision provides greater legal certainty and reduces the scope for disputes over higher contributions.

"Employees should evaluate whether voluntary PF contributions align with their retirement and cash-flow needs," says Puneet Gupta, partner — people advisory services-tax, EY India.

Chandna adds that contributions beyond the statutory wage ceiling continue to require mutual agreement between the employer and employee, and employees cannot insist on them unilaterally.

"An employer may allow an employee to contribute 12 per cent of full basic pay while restricting its own contribution to ₹1,800 per month," says Deepesh Raghaw, a Sebi-registered investment adviser (RIA). This may not be welcomed by employees. "High earners face long-term wealth erosion if employers choose to cap matching contributions at the statutory wage threshold of ₹15,000," says Abhishek Kumar, Sebi-RIA and founder, SahajMoney.com.

As Raghaw explains, employer contributions to the EPF, National Pension System (NPS) and superannuation funds remain tax-exempt up to an aggregate ₹7.5 lakh a year. Gupta says employees should ask their human resources (HR) or payroll team whether the employer contributes on higher wages or restricts its contribution to the statutory ceiling.

Review your EPF nominations

- Earlier nominations may lapse if they are in conflict with the new scheme
- File a fresh nomination where required
- Submit or update nominations through the designated EPF portal
- Review nominee details to ensure they reflect the current family structure and comply with scheme rules

Simpler withdrawal rules

The earlier scheme allowed partial withdrawals under 13 provisions, each with separate eligibility conditions, service requirements and limits. The new scheme consolidates them into three categories: Essential needs, housing needs, and special circumstances. It also reduces the uniform service-eligibility period for partial withdrawals to 12 months.

The broader categories are likely to make partial withdrawals simpler. Members may not need to explain their reasons in as much detail. The Special Circumstances category even permits withdrawal without a specific reason. This structure may reduce administrative discretion and claim rejections.

The scheme permits up to 10 withdrawals for education, five each for marriage and housing, and two in each financial year for Special Circumstances. These limits apply over and above advances taken under the earlier scheme. "The high limits will allow members to match withdrawals to expenses that arise in stages instead of taking a large lump sum prematurely," says Raghaw.

Frequent withdrawals, however, may encourage members to treat the EPF as an emergency fund. "Withdrawals under Special Circumstances may also finance unproductive expenses," says Arnav Pandya, founder, Moneyeduschool.

Retain 25 per cent balance

A member must retain at least 25 per cent of the aggregate PF balance after a partial withdrawal. The earlier scheme applied different purpose-based limits and had no universal 25 per cent retention rule.

"The minimum-balance condition helps ensure that some money remains accumulated for retirement," says Pandya. However, it may restrict access during genuine financial distress.

Longer wait after job loss

The new framework has increased the waiting period for full withdrawal after unemployment. Earlier, members could make a full and final withdrawal after two months of continuous unemployment. "The new scheme adopts a more balanced approach by permitting withdrawal of up to 75 per cent during unemployment, while the remaining balance becomes withdrawable only after 12 months of continuous unemployment," says Chandna.

The longer wait may prevent members from hastily exhausting their retirement savings after losing a job, but it reduces liquidity during acute distress. "The 12-month condition appears to be a step back from the broader approach of trusting investors with their money," says Raghaw.

Greater accountability for settlement

The Employees' Provident Fund Organisation (EPFO) must process claims or communicate deficiencies within the prescribed period — three days or 20 days, depending on the settlement. "In specified cases, delays may also attract interest liability, thereby strengthening accountability and improving member confidence in the system," says Chandna.

However, the deadline begins only after the authorities treat the claim as properly submitted. Pandya says repeated requests for information by EPFO may prevent tighter deadlines from helping members.

Keep digital records updated

Digital declarations, nominations and claim processing are expected to reduce paperwork and delays. However, incomplete digital records may hamper withdrawals. Gupta says employees should ensure that Aadhaar is correctly seeded and verified, Permanent Account Number (PAN) details are updated, the Aadhaar-linked bank account is correctly reflected, and the UAN is active and its details are accurate. He adds that they should also update family and nomination details on the designated portal.

Withdraw only when necessary

An unavoidable emergency, particularly a medical crisis, can justify withdrawal. Raghaw says members should, however, plan separately for predictable expenses like education and marriage, and maintain health insurance so that a medical emergency does not force them to use EPF savings. Kumar adds that subscribers should build an emergency fund covering six to 12 months of living expenses. The EPF should remain a retirement nest egg, not be turned into an emergency fund.