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

AUTOMOTIVE INDUSTRY

Business Line, 3 October 2026

Mahindra Group, Embraer to invest ₹6,000 crore in Nagpur

Aneesh Phadnis
Mumbai

Embraer and the Mahindra Group plan to invest ₹6,000 crore in a C-390 Millennium aircraft final assembly line in Nagpur, if selected to supply medium transport aircraft to the Indian Air Force (IAF). The two groups signed an MoU with the Maharashtra government on Thursday in this regard.

The development will result in the creation of 1,000 jobs, Devendra Fadnavis, Chief Minister, said in an X post.

REPLACING FLEET

The IAF is looking for a medium transport aircraft to replace its ageing fleet of AN-32 and IL-76 aircraft.

In August, the Defence Ministry issued a request for proposal to Indian conglomerates, including Tatas, Mahindra, Adani and State-run Hindustan Aeronautics Ltd, to submit their technical and financial offers.

While Embraer has teamed up with the Mahindra group, Lockheed Martin joined hands with the Tatas to offer its C-130J aircraft.

"Mahindra is committed to building a globally competitive aerospace ecosystem in India and to creating meaningful manufacturing and technology capabilities that contribute to the country's Atmanirbhar Bharat ambitions," said Vinod Sahay, Member of the Group Executive Board, Mahindra Group.

"Identifying Nagpur as the potential location for an assembly facility is an important step in building a robust, long-term aerospace ecosystem in the country," said Bosco Da Costa Junior, President and CEO, Embraer Defense and Security.

STATE-OF-THE-ART

The proposed Nagpur facility will be state-of-the-art and a critical part of Embraer's broader industrialisation strategy in India, bringing the knowhow on aircraft assembly, system integration, manufacturing engineering, and local supply chain development, said a release.

Embraer and Mahindra entered into a strategic cooperation agreement in late 2025 to advance the C-390 Millennium for the IAF's MTA programme, building on their earlier MoU signed in February 2024.

The Economic Times, 5 October 2026

LOWER TAXES A STRONG DRIVER

Small Beginnings! Auto Cos Bet on Compact Hybrids

About half a dozen small hybrids set to hit mkt in 2 years as third phase of CAFE norms takes effect

Sharmistha Mukherjee

New Delhi: India's leading automakers from Maruti Suzuki to Hyundai, Toyota Kirloskar Motor and Renault are set to drive in nearly half a dozen small hybrid vehicles over the next 18-24 months supported by lower taxes on compact cars and to meet the third phase of CAFE (corporate average fuel efficiency) norms which will progressively tighten fuel-efficiency requirements of cars starting next financial year.

While Maruti is working on an affordable hybrid system which can go into small cars Fronx, Baleno, Swift and Brezza with the first of these due on-road next year, Korean auto major Hyundai is readying for launch a small hybrid vehicle for the Indian market mid 2027, industry sources said. Toyota too is learnt to be planning a hybrid version of the Urban Cruiser Taisor, which will follow the hybrid version of Maruti's Fronx. Renault's sub-4 metre urban SUV based on the 'Bridger' concept, also featuring a hybrid powertrain, is scheduled for launch late next year.

Among the mass market carmakers Maruti Suzuki, Honda Cars India, Kia and Toyota Kirloskar Motor (TKM) have a handful of hybrid vehicles like Toyota Innova Crysta, Kia Sorento, Maruti Suzuki Grand Vistara on sale in the local market at present, but all are priced upwards of ₹16 lakh, limiting customer acceptance. All these vehicles are more than 4 metre in length and therefore attract GST rate of 40%.

"We expect hybrid technology to gain strong traction in India (with the launch of small affordable hybrid vehicles). It removes range anxiety while improving fuel efficiency, and hybrids retain better resale value than EVs , where battery-health concerns still weigh on used-car prices", Gaurav Vangaal, associate director, light vehicle production forecast, Mobility Global, said, adding, "The sub-4 metre SUV segment is where the next phase will play out, with several carmakers expected to enter it with affordable hybrids, supported by lower taxes on compact cars and tighter CAFE norms."

Small hybrid vehicles now attract tax rate of 18%, compared to 43% prior to GST 2.0, which is prompting carmakers to make a beeline for the technology which helps address range anxiety concerns associated with EVs, while meeting CAFE 3 norms.

Plug-in hybrids and flex-fuel strong hybrids are more fuel efficient when compared with pure petrol and diesel cars and get a 2.5 super credit multiplier under CAFE 3. Strong hybrids a 1.6 and flex-fuel ethanol vehicles 1.1 super credit multiplier as per the latest norms set to kick in from April 1, 2027.

Vikram Gulati, country head & executive vice president, Toyota Kirloskar Motor, confirmed, "India's transition towards greener and cleaner mobility will require widespread adoption of sustainable technologies. The sub-4-metre category, being the largest segment, presents a significant opportunity to advance the reach of all clean technologies and make them more accessible." With sales of 2,793,303 units in the last financial year, the sub-4 metre segment comprised over 60% of all cars sold in the local market.

Ready, Set, Go

125,000 Strong hybrid vehicles retailed in **FY26**

217,000: Electric cars retailed nationwide in **FY26**

40% GST applies to hybrids above four metres

18% tax supports compact cars with lower pricing

7: Strong hybrids selling in India's mkt



Business Line, 6 October 2026

Hurt by cost pressures, Honda to rework parternship with Tata Tech

Reuters
Mumbai/Tokyo

Honda Motor aims to cut costs by as much as a fifth and halve development times under its new partnership in India with Tata Technologies, according to two people familiar with the matter, as pressure from rivals forces the Japanese automaker to rethink its go-it-alone approach.

Reeling from EV-related losses that it expects to cross $12 billion, Honda is pivoting to hybrids. Last month, *Reuters* reported that it is seeking to cut over $9 billion in costs over the next four years and has told suppliers to reduce prices.

In May, Tata Technologies said it was selected to develop vehicles for a Japanese automaker. It declined to name the partner, but sources said it was Honda. Under the agreement, Tata Technologies will develop cars for the Indian market, while Honda expects to see up to 20 per cent in cost reductions and halve its development times from around five years, two people said.

Honda decided to bring in Tata Technologies after its Japanese and Indian managers failed to agree on the suppliers for upcoming vehicles, said sources.

In a statement, Honda said it has not been able to offer a sufficient product lineup in India that allows customers "value for money". To that end, it was "redefining" its offerings in India and planned to introduce vehicles that strike a balance between quality and price, it said. It denied there were disagreements between the Japanese and Indian teams.

BIG NUMBERS

- Honda aims to cut more than $9 billion in costs over 4 years
- Honda's market share in India has fallen to 1.3 per cent from 7.3 per cent

BALANCING ACT

Like other Japanese automakers, Honda faces the difficult balancing act of defending its legacy business in places like the US while developing new technologies to compete with Chinese firms elsewhere.

But Honda's market share has slumped to 1.3 per cent from the peak of 7.3 per cent more than a decade ago. Its portfolio has shrunk to four models. "Honda is already late and behind competitors," one of the people said.

Business Line, 7 October 2026

Cars, two-wheelers see best-ever September retail sales

S Ronendra Singh
New Delhi

Retail sales of both passenger vehicles (PVs) and two-wheelers recorded the best-ever September, growing 33 per cent and 32 per cent, respectively on a y-o-y basis, the Federation of Automobile Dealers Association (FADA) said on Tuesday.

PV retail sales grew to 4,27,213 units during the month compared with 3,23,391 units in September 2025. Similarly, two-wheeler sales grew to 17,90,188 units last month as against 13,45,153 units in the corresponding month of 2025.

Three-wheeler retail sales also grew 22 per cent y-o-y to 1,32,570 units in September as compared with 1,08,444 units in September last year.

Break-out month

Retail sales in September (in units)

Category	Sep 2025	Sep 2026	y-o-y growth (in %)	Remark
Passenger Vehicles	3,23,391	4,27,213	32.1	*Best-ever September*
Two-wheelers	13,45,153	17,90,188	33.08	*Best-ever September; 15% above 2018 peak*
Commercial Vehicles	75,246	1,03,557	37.62	*First-ever September with sales above 1 lakh*
Three-wheelers	1,08,444	1,32,570	22.25	*Best-ever September; ₹65% electric*
Tractors	67,612	76,906	13.75	*Soft: late festive + patchy monsoon*

Source: FADA Research

Commercial vehicles, meanwhile, crossed the one-lakh mark for the first time, growing by around 38 per cent y-o-y to 1,03,557 units during the month, showed FADA data. Overall, vehicles sales across categories grew by 32 per cent y-o-y to 25,36,920 units in September.

"Dealers expect October to deliver the festival pick-up that September deferred. With Navratri (October 11-20) and Dussehra, demand held back during Pitru Paksha should convert into a concentrated burst of deliveries from mid-month, even if the first 10 days stay quiet," said Sai Giridhar, President, FADA.

"Booking pipelines are already building for 63 per cent of dealers. Importantly, with the GST 2.0 anniversary now behind us, October will be the first month to offer a clean, like-for-like y-o-y comparison." He said the October to December period sits in the window of the festival season, followed by the wedding season and year-end buying.

"FADA would, however, read the quarter for what it is. October-December 2025 was the first full quarter after GST 2.0 and absorbed considerable pent-up demand, so the quarter's real signal will be festival conversion in the showroom. The decisive variable is affordability: a substantial part of the GST 2.0 benefit still sits with the consumer, but successive input cost-led price increases are narrowing that cushion, and dealers rightly flag this as their top risk," said Giridhar.

CAUTIOUS OPTIMISM

Besides, manufacturer dispatch discipline matters, with PV inventory already at 43-45 days. The structural anchors remain supportive — rural consumption, infrastructure-led goods movement, a strong launch calendar and steadily deepening electrification — each a thread of the broader India growth story, he noted.

"Overall, the next three months appear cautiously optimistic — strong festival expectations tempered by a demanding base, with festive conversion, affordability and inventory discipline the key monitorables," he added.

One in eight vehicles sold in India is now electric

Amit Vijay Mohile
Mumbai

One in every eight vehicles registered in India in September was electric, with EV registrations touching an all-time monthly high.

EVs accounted for about 13 per cent of the overall 25.37 lakh registrations during the month, according to FADA data.

Two-wheelers supplied more than 60 per cent of EV volumes; electric car registrations nearly doubled from a year earlier, while three-wheelers remained the most electrified category, with nearly two in every three registrations electric.

PROVIDING SCALE

Electric two-wheeler penetration rose to 11.58 per cent in September from 8.17 per cent a year earlier, as registrations nearly doubled to about 2.07 lakh, an analysis of FADA's category-wise registrations and fuel-mix data shows.

That makes two-wheelers the principal volume engine of India's EV market. More than six of every 10 EVs registered in September were two-wheelers. Overall two-wheeler registrations rose 33.08 per cent year-on-year to 17.9 lakh.

Three-wheelers' EV share increased to 64.90 per cent from 56.65 per cent a year earlier.

ELECTRIC CARS

Passenger vehicles are emerging as another significant leg of the transition. EV penetration increased to 8.45 per cent from 5.74 per cent a year earlier. That translates into approximately 36,100 electric cars and SUVs registered in September, nearly double the 18,600 a year earlier.

Electric PV volumes, therefore, grew substantially faster than the overall PV market, where registrations increased 32.1 per cent year-on-year to 4.27 lakh.

The transition in cars is broader than battery electric vehicles. Hybrids' penetration in PVs increased to 9.44 per cent in September 2026 from 7.3 per cent in September 2025, while the share of CNG/LPG vehicles rose to 23.11 per cent from 22.02 per cent over the same period.

Commercial vehicles are also beginning to electrify, with EV penetration doubling, but the larger volume shift is occurring in personal mobility.

For two-wheelers, crossing the 10 per cent penetration is significant because of the category's scale. Combined with the near-doubling of electric car registrations, September's numbers suggest India's EV transition is moving beyond electrified three-wheelers and deeper into the much larger personal-mobility market.

Trucks, tractors power H1 growth

Amit Vijay Mohile
Mumbai

Truck and tractor markets have grown by nearly a fifth in the first half of FY27, signalling strength across freight and farm-linked demand. But September has revealed a widening split in momentum.

CV registrations rose 21.48 per cent during April-September to 5,85,217 units, while tractors increased 19.81 per cent to 5,56,862, according to FADA data. The two categories entered September with remarkably similar first-half growth rates before moving in sharply different directions.

"CVs maintained robust momentum," said FADA President Sai Giridhar, attributing the strength to replacement demand, infrastructure and mining activity, and bulk fleet purchases for steel and cement movement, alongside higher rural incomes and purchases ahead of expected price increases.

The acceleration was strongest among heavy CVs whose registrations surged 46.22 per cent y-o-y to 32,310 units in September. Light CVs rose 34.13 per cent y-o-y, while medium CVs increased 33.96 per cent.

Electrification is also beginning to make inroads into commercial transport, with EVs accounting for 4.04 per cent of September CV registrations, nearly double their 2.16 per cent share a year earlier.

MOMENTUM LOST

Tractors moved differently. September registrations remained 13.75 per cent higher y-o-y at 76,906 units but fell 12.58 per cent from August, contrasting with their 19.81 per cent growth through H1.

Giridhar attributed the sequential decline to "patchy monsoon conditions and the later festive calendar".

Business Standard, 7 October 2026

GEARING UP FOR FESTIVAL SEASON

Auto dealers see robust Oct as bookings rise

SOHINI DAS
Mumbai, 6 October

Automobile dealers are seeing healthy bookings ahead of Navratri and Dussehra, and expect demand deferred during Shradh to translate into a pickup in deliveries from mid-October, even though a high base from last year's goods and services tax (GST)-led surge makes year-on-year (Y-o-Y) comparisons less meaningful.

Dealer confidence has strengthened, with 75.57 per cent of dealers surveyed by the Federation of Automobile Dealers Associations (Fada) expecting growth in October, against 67.09 per cent ahead of September. About 63 per cent of dealers report building booking pipelines.

"Bookings, in fact, are higher, are healthy," Fada President Sai Giridhar told *Business Standard*.

September produced record retail volumes, with overall registrations rising 31.82 per cent Y-o-Y and 4.69 per cent sequentially to 2.54 million units. Passenger vehicle (PV) retail touched a record 427,213 units, up 32.1 per cent Y-o-Y and 6.17 per cent from August, while two-wheeler sales rose 33.08 per cent to 1.79 million units.

Fada, however, cautioned that the Y-o-Y growth is distorted by a weak September 2025 base, when customers postponed purchases ahead of GST 2.0 rate changes effective September 22. Excluding September, retail grew around 17 per cent in the first five months of financial year 2026-27 (FY27). First-half retail reached a record 15.51 million units, up 20.77 per cent.

October will be the key festive test. With Shradh extending into the first part of the month and Navratri running from October 11-20, Fada expects deferred demand to convert from mid-month.



Strong showing

Category	Sep '26 units*	M-o-M (in %)	Y-o-Y (in %)
Two-wheelers	1,790,188	4.41	33.08
Passenger vehicles	427,213	6.17	32.1
Commercial vehicles	103,557	14.09	37.62
Three-wheelers	132,570	8.41	22.25
Tractors	76,906	-12.58	13.75
Wheeled CE	6,486	25.55	38.00
Total	2,536,920	4.69	31.82

* Vehicle registrations

Source: Fada Sep'26 retail release

Last year, retail and wholesale activity had paused ahead of the GST reduction, followed by a sharp release of pent-up demand. October 2025, therefore, presents a demanding base. "This year... especially passenger vehicle dealers are more prepared," Giridhar said.

PV inventory rose to 43-45 days in September from 38-40 days in August as dealers stocked up for festivals. Giridhar said 45 days was healthy ahead of the festive peak, when dealerships can clock 1.5-2 times normal monthly retail. Fada expects inventory to start.

Electric vehicles (EVs), meanwhile, face a demand-supply mismatch, particularly in PVs. Total EV retail hit an all-time high of about 334,000 units in September, taking penetration close to 13 per cent, while PV EV penetration touched a record 8.45 per cent.

Giridhar said imported components, particularly batteries, and shipping constraints were affecting availability, with some original equipment manufacturers (OEMs) reporting freight costs rising two-three times.

Truck rentals hold steady: Report

Truck rentals on major trunk routes held firm above year-ago levels due to steady freight activity, according to the Shriram Mobility Bulletin released on Tuesday, reflecting resilient economic momentum.

Rentals grew across all key routes tracked year-on-year.

Delhi–Kolkata–Delhi grew 13 per cent, followed by Bengaluru–Mumbai–Bengaluru at 11 per cent and Kolkata–Guwahati–Kolkata at 10 per cent.

SHINE JACOB

The Economic Times, 7 October 2026

TaMo Asks its Suppliers to Gear Up for Capacity Push

Co targets monthly production of 100,000 units from next fiscal to meet rising demand

Sharmistha Mukherjee

New Delhi: Tata Motors Passenger Vehicles has asked its suppliers to ramp up capacity to support production of up to 100,000 vehicles a month from the next financial year, as it gears up for a product offensive amid robust domestic demand, two senior industry executives told ET. Tata Motors has been scheduling production of about 75,000 passenger vehicles a month for the last three months but it's "not being able to ramp up fully due to capacity constraints at vendors," one of the executives said.

The targeted 100,000-unit monthly production represents an increase of more than 50% over its average monthly sales of 65,000 units in the first six months of FY27.

The decision to ramp up was communicated at a supplier conference held in Pune last month, the executives said. Tata Motors Passenger Vehicles plans to invest ₹37,500-40,000 crore over FY27-FY31 as it targets a 20% share of India's passenger vehicle market and annual sales of more than 1.2 million units by FY31. Its monthly production capacity is expected to reach 1.3 million units during the period.

The company is the first after Maruti Suzuki to target 100,000-plus PV output a month in the country. The latter crossed that milestone more than 16 years back, and first sold over 100,000 units in May 2010. "With multiple new launches scheduled next year, the company has started prepping for the next phase of growth, which is intended to narrow the gap with the market leader," the executive quoted above said.

He said the demand is already higher than Tata Motors' production.



According to trade insiders, the demand is 7,000-8,000 higher than the 65,000 Tata Motors has been selling on an average every month. The company is scheduled to launch the next generation Nexon in 2027, followed by vehicles from the Avinya series later in the year. Overall, Tata Motors aims to add six new nameplates, taking its portfolio to 15 models by the turn of the decade.

"Unlike competition who has been playing on scale, bringing on-road models which can bring in very high volumes, Tata Motors is looking at addressing every segment where there is meaningful customer demand by filling in gaps in its product portfolio," said the second executive cited above. "It only drove in a new entry-sedan for personal buyers, even as the ICE version of Tigor and Xpres T is being retailed for commercial operations."

A Tata Motors Passenger Vehicles spokesperson said the company continuously reviews and aligns its manufacturing and supply-chain capacities with market demand and its product plans. "However, we do not comment on specific production volumes or supplier-level capacity planning," the person said in response to a query from ET.

Company managing director and CEO Shailesh Chandra had earlier said he expects the domestic passenger vehicle industry to grow to 6.4 million units by FY31, from 4.7 million units in FY26, driven by rising incomes, faster replacement cycles and growing demand for premium vehicles.

Business Line, 8 October 2026

Gabriel India, Forvia set up ₹100-crore JV for auto seating business

Amit Vijay Mohile
Mumbai

Gabriel India and France's Forvia are joining forces to target about 10 per cent of India's automotive seating market within five years through a ₹100 crore equity joint venture, as the market is projected to reach €4 billion by 2030.

At that size, a 10 per cent share would represent roughly €400 million, or about ₹3,500 crore, in annual business.

This is an implied market opportunity, not company revenue guidance.

The partnership combines Forvia's global seating technology with ANAND Group's manufacturing and customer network, significantly expanding Gabriel's addressable market beyond its traditional ride-control business.

Forvia expects India's seating market to grow about 7 per cent annually between 2025 and 2030, driven by higher vehicle volumes and rising content per vehicle.

Jaisal Singh, Vice-Chairman, ANAND Group, called the partnership "a natural extension of Gabriel India's transformation into a broader mobility solutions enterprise".

OEM OPPORTUNITY

Forvia already counts Mahindra, Tata Motors, Maruti Suzuki, Skoda and Volkswagen among its Indian customers.

It has also secured its first complete-seat contract in India with an international automaker and announced a dedicated complete-seat assembly plant, its 10th facility in the country.

The combination of Forvia's engineering capabilities and ANAND's domestic manufacturing and supplier network could bring global seating technology closer to Indian production lines.

Greater localisation could reduce freight costs, lead times and foreign-exchange exposure, while locally adapted seat architectures could shorten development cycles.

Lightweight seating is also gaining importance with the growth of EVs, as lower vehicle weight can improve efficiency and driving range. Complete-seat sourcing can simplify supplier coordination while adding another competitor on cost, technology, safety and delivery.

OPERATING FOOTHOLD

Faurecia Anand Seating India Pvt Ltd will acquire the existing Indian seat-frame business of Faurecia Automotive Seating India, giving the joint venture an operating base as it expands into complete seats.

Forvia will own 50 per cent plus one share and Gabriel 50 per cent minus one share.

The planned ₹100-crore equity capital will be funded in two stages — ₹20 crore at incorporation and ₹80 crore at closing — with Gabriel contributing about ₹50 crore.

UP THE VALUE CHAIN

For Gabriel, seating expands the potential content it can supply per vehicle across petrol, diesel, hybrid and electric powertrains.

Forvia's global seating division generated €8.2 billion in sales in 2025 and targets €8.7-9.1 billion by 2028.

"India is a key growth driver for Forvia," Chief Executive Officer Martin Fischer said.

The JV gives Forvia a route to scale its India business while giving Gabriel access to global seating technology and higher-value programmes.

Business Line, 14 October 2026

Hyundai Motor Group to invest $15.5 b in India in 6 yrs



BUSINESS DRIVE. Prime Minister Narendra Modi with Hyundai Motor Group Executive Chair Euisun Chung in New Delhi

S Ronendra Singh
New Delhi

The Hyundai Motor Group on Tuesday unveiled a massive $15.5 billion (₹1.47 lakh crore) investment plan for India spanning 2026 to 2032, cementing the country as a vital hub for its global expansion, emerging markets strategy and next-generation mobility innovation.

The initiative was discussed during a meeting between Prime Minister Narendra Modi and Hyundai Motor Group Executive Chair Euisun Chung, the company said. "India remains one of Hyundai Motor Group's most important and strategic markets globally. The past 30 years have been defined by our commitment to India. This investment reaffirms our commitment to India for the next 30 years and beyond," Chung said.

This outlay incorporates the ₹45,000 crore investment announced by Hyundai Motor Company (HMC) last October, sources told *businessline*. The allocation extends to group entity Kia India, specifically targeting R&D. It builds on the commitment made last year by HMC President and CEO Jose Munoz to introduce 26 products, including hybrids and EVs. "Through this investment, we will create more employment and work with partners and stakeholders to support India's continued industrial development," Chung said.

The group will establish a dedicated entity in India to execute investments across R&D infrastructure, future technologies and the broader automotive industry ecosystem. It will also serve as a platform to identify local partners, support strategic partnerships and foster local supply collaborations.

The group will build an automotive ecosystem including expansion of manufacturing capacity across Hyundai Motor India and Kia India. It plans to invest $700 million on its R&D centre.

Business Line, 15 October 2026

Hyundai eyes No 2 spot in India's PV market again

GROWTH ENGINES. Bets on Pune plant's expansion, additional capacity, new launches

Amit Vijay Mohile
Mumbai

Hyundai Motor Group plans to invest $15.5 billion in India through 2032, with a significant share earmarked for manufacturing expansion and upgrades. This, as the South Korean automaker seeks to reclaim its position as India's second-largest passenger vehicle maker through increased capacity, new product launches and deeper localisation.



NEWLY OPENED. Maharashtra Chief Minister Devendra Fadnavis with Hyundai's Executive Chairman Euisun Chung and other officials during the inauguration of the company's manufacturing plant in Talegaon, Pune, on Wednesday ANI

BIG PLANS

The strategy was outlined at a media briefing in Pune on Wednesday, following the inauguration of Hyundai's Talegaon manufacturing facility. Of the total investment, around 20 per cent each ($3.1 billion) will be allocated to new technologies, including AI and start-ups, and to R&D. The announcement follows the company's Executive Chair Euisun Chung's meeting with Prime Minister Narendra Modi on Tuesday.

Hyundai has already invested ₹7,000 crore in Maharashtra and plans to invest another ₹4,000 crore by 2030, taking its total commitment to the Pune facility to ₹11,000 crore.

"Beyond expanding manufacturing capacity, the facility will drive industrial development, innovation and employment generation in the region," said Tarun Garg, MD and CEO. The investment is being supported by 55 supplier partners, who have collectively invested nearly ₹4,600 crore in Maharashtra. Including tier-II vendors, the ecosystem has created more than 18,000 jobs, with nearly half the supplier base located within a 50-km radius of the plant.

Hyundai plans to nearly double the Pune plant's annual capacity to 320,000 vehicles by 2030. Combined with its Chennai operations, Hyundai Motor India's total manufacturing capacity will approach 1.14 million vehicles annually.

The expansion is central to Hyundai's efforts to regain market share amid intense competition from Mahindra & Mahindra and Tata Motors.

"As you know, we are going to launch 26 new models to marry this capacity so that we can get back the market share as well," said Garg.

LOCALISATION LEVELS

Hyundai aims to increase localisation levels from 83 per cent to 92 per cent, strengthening its domestic supply chain. "And Maharashtra is going to play a very important role," a senior executive said.

The automaker also plans to raise exports to 30 per cent of production, up from 24 per cent currently, while continuing its EV push with four EV launches by 2029 and the introduction of hybrid models.

ELECTRIC VEHICLES

Business Line, 2 October 2026

Tata nearly doubles EV sales, M&M overtakes JSW MG Motor

Amit Vijay Mohile
Mumbai

Passenger vehicle registrations accelerated 30.9 per cent year-on-year to over 4.14 lakh in September 2026 from over 3.16 lakh in September 2025, while electric cars grew thrice as fast, nearly doubling to 34,894 units, according to Vahan data.

Sequentially, overall PV registrations rose 2.1 per cent from 4.05 lakh units in August, while EV registrations increased by a much stronger 9.9 per cent.

CLOSING IN

The EV surge has also reshuffled the race among carmakers. Tata Motors nearly doubled its EV registrations to 14,721 while Mahindra & Mahindra's rose 94.9 per cent to 7,743 and overtook JSW MG, whose registrations increased 8.9 per cent to 5,226 units.

In the overall PV market, Maruti Suzuki maintained its top spot with over 1.68 lakh registrations during the month.

The race behind it tightened sharply with Tata registering 56,972 vehicles against M&M's 56,745, leaving just a 227 unit gap between them. Last September, the gulf was wider at 3,011 units.

Beyond the top three, Hyundai remained the fourth-largest player, with registrations rising 31 per cent year-on-year to 49,998 units.

Another contest tightened further down the table.



Toyota grew 21.3 per cent to 27,652 units, while Kia jumped 45.4 per cent to 26,555 units. Toyota's lead over Kia consequently shrank from 4,541 vehicles in September 2025 to 1,097 in September 2026.

The acceleration indicates PV demand is gaining momentum, helped by the festival season, improved consumer sentiment, and manufacturers bringing new models and offers to the market, said Kranti Bathini, Director-Equity Strategy at WealthMills Securities.

TATA CLIMBS UP

The January-September Vahan numbers show a bigger change in the pecking order. Tata's registrations rose 36.8 per cent to 5.53 lakh units while M&M's rose 23.7 per cent to 5.31 lakh. During the same period last year, Tata was trailing M&M by nearly 25,000 vehicles.

It was a dog-fight in the EV category. Tata's registrations rose 89.3 per cent to 1,01,862 units during the period from 53,820 a year earlier. Mahindra's, meanwhile, jumped 128.8 per cent to 57,943, while MG's registrations increased 13 per cent to 48,793.

In other words, Mahindra swung from 17,868 EVs behind MG in the same period last year to 9,150 ahead this year.

KIA BEATS MARUTI

In monthly registrations, Kia's EV count went up 47.6 per cent to 1,255 in September while Maruti's fell 25.6 per cent to 1,095. VinFast remained ahead with 2,961 registrations, up 32.2 per cent m-o-m.

The stronger registration numbers suggest that the demand is translating into retail rather than being driven only by manufacturer dispatches, said Vinkesh Gulati, Chairman of the Automotive Skills Development Council and former President of the Federation of Automobile Dealers Associations.

Faster EV growth also indicates that electric cars are becoming a more meaningful part of the PV market, he added.

Domestic wholesale data reported by Maruti Suzuki, Tata Motors, Mahindra & Mahindra, Hyundai Motor India and JSW MG Motor India broadly corroborated the Vahan retail trend for September 2026, with the five retaining the same relative order on both measures.

With retail demand strengthening and EVs adding another growth engine, the passenger-vehicle market is increasingly being set up for a record year, said Bathini.

Fully charged

EV registrations (in units)

Company	Sept 2025	Sept 2026	y-o-y change (in %)
Tata Motors	7,365	14,721	99.9
Mahindra & Mahindra	3,972	7,743	94.9
JSW MG Motor India	4,800	5,226	8.9
Others	1,787	7,204	303.1
Total	**17,924**	**34,894**	**94.7**

Source: Vahan

Business Line, 3 October 2026

Electric two-wheeler registrations hit nine-month high in September

WINNERS, LOSERS. TVS Motor maintains lead with 4.11 lakh registrations so far this year; Ola's sales fall again

Amit Vijay Mohile
Mumbai

TVS Motor held off a fast-closing Bajaj Auto in September as electric two-wheeler (E2W) registrations across 30 manufacturers jumped 12.5 per cent month-on-month to a nine-month high of 2.06 lakh. This took the total registrations so far this year past 15 lakh, a nearly 69 per cent jump from the corresponding period last year.

Registrations reached 15,51,355 during January-September 2026 against 9,18,934 in the year-ago period. But underneath that expansion lies a series of close contests that's reshaping the leaderboard.

TVS remained the largest individual manufacturer with over 4.11 lakh registrations during the period. Hero MotoCorp and Ather Energy, in which Hero is the largest shareholder with nearly one-third stake, together saw registrations of over 4.33 lakh vehicles.

In September too, Ather's 30,477 registrations and Hero's 24,306 surpassed TVS's 53,990 by nearly 800 vehicles.

HERO GAINS ON ATHER

Ather remains substantially ahead of Hero, seeing registrations of over 2.61 lakh vehicles during January-September against Hero's 1,72,529; a lead of 51.5 per cent.

But their monthly race has tightened. Ather was 65 per cent ahead of Hero in March; by September, that advantage has fallen to 25.4 per cent. Hero's September registrations surged 27 per cent month-on-month, while Ather grew 4.8 per cent.

Ola, meanwhile, is facing pressure from the other direction. Its registrations fell 3.5 per cent to 13,449 units in September, the third consecutive monthly decline from 16,295 in June. Greaves Electric Mobility, on the other hand, grew its sales 8 per cent to 9,316 units.

BAJAJ CLOSES IN

Bajaj Auto has been mounting the closest direct challenge to TVS. Its September registrations jumped 17 per cent to 48,383 units from 41,339 in August, while TVS' grew 9.5 per cent. That cut the latter's monthly advantage to 5,607 vehicles from 7,947 a month ago.

Over the January-September period, TVS' total registrations were 16.2 per cent ahead of Bajaj's 3.54 lakh.

"The electric two-wheeler market is moving beyond early adopters, with distribution, financing, service reach and customer confidence becoming increasingly important as volumes scale," said Vinkesh Gulati, former President of FADA and the Chairman of Automobile Skill Development Council.

START-UP CONTEST

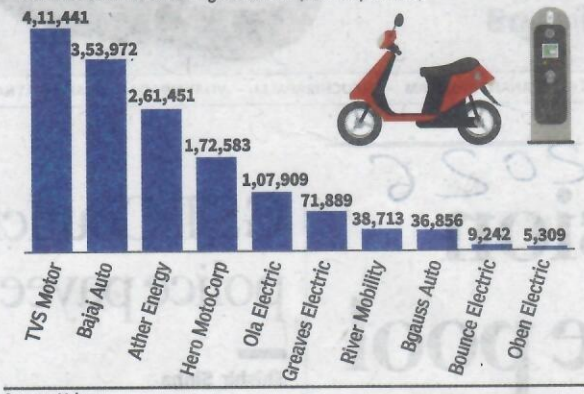
Another close race is developing between Bengaluru-based River Mobility and Mumbai-headquartered BGauss Auto. While River saw registrations of 5,549 vehicles in September, BGauss clocked 5,023 units.

River also remained ahead during the January-September period with a total of 38,713 registrations against BGauss's 35,168, a gap of 10.1 per cent. Both the companies, however, have nearly doubled their monthly scale since the start of the year. Their combined registrations increased from 5,394 in January to 10,572 in September. "The opportunity is much larger," said Hemant Kabra, Founder and Managing Director of BGauss.

Further down, September produced sharp breakouts. Bounce's registrations nearly tripled month-on-month to 3,069 from 1,049, while Oben Electric saw them doubling to 1,417.

Surging uptake

Electric two-wheeler registrations (Jan-Sept 2026)



Source: Vahan

Capacity remains far ahead of demand for most e-bike firms

Amit Vijay Mohile
Mumbai

More than ₹3,500 crore of investment, roughly 4 lakh units of annual manufacturing capacity and hundreds of retail touchpoints are riding on an Indian electric motorcycle market, where the four manufacturers collectively registered fewer than 24,000 vehicles during January-September.

The money has come from a diverse set of heavyweight backers. Ultraviolette has attracted more than ₹1,500 crore, with investors including TVS Motor, Qualcomm Ventures, Zoho Corporation, Exor and TDK Ventures.

Matter has raised around ₹1,000 crore from the likes of Capital 2B, Helena Special Investments and overseas funds.

Despite strong investor backing, Ahmedabad-based Matter registered just 751 motorcycles during the period.

Roughly ₹650-800 crore has been invested in Revolt while Oben has raised about ₹300-320 crore from venture, angel and debt investors.

But combined registrations for the four manufacturers rose from 2,020 units in January to 3,681 units in September, an increase of 82.2 per cent. Even at September's pace, annual sales would be about 44,000 motorcycles, well below the sector's installed capacity.

SEPTEMBER STIR

"Becoming India's No 1 electric motorcycle brand is a significant milestone for Oben," said Madhumita Agrawal, Founder and CEO.

Oben now has more than 150 showrooms and service centres across over 90 cities in 18 States. Revolt operates more than 200 dealerships, while Ultraviolette has adopted a smaller, premium experience-centre model.

Electric motorcycles still account for only a small share of India's vast two-wheeler market. But the stakes are rising. "India is the world's largest motorcycle market, and the transition to electric mobility cannot truly reach scale without electric motorcycles playing a central role," said Agrawal. While the segment remains nascent, she sees considerable potential, as lower running costs and sporty form factors attract buyers.

Business Line, 3 October 2026

Kiska BaaS is the best? Tata Motors, Mahindra, MG and Maruti EV offers put to the test

Amit Vijay Mohile
Mumbai

Battery-as-a-Service (BaaS), which accounts for just 4-6 per cent of India's electric-car sales, is emerging as the new battleground in the EV market after Tata Motors expanded the model across its portfolio. The move intensifies competition among OEMs by significantly lowering advertised vehicle prices through separate battery financing.

Under BaaS, EVs traditionally priced around ₹19 lakh can now be marketed at ₹11-14 lakh. Tata's Sierra.ev, for instance, is available at ₹11.99 lakh under BaaS compared with ₹18.79 lakh with the battery included.

Mahindra's BE 6 Sporteq is priced at ₹11.45 lakh versus ₹19.45 lakh and MG's Hector Tomahawk EV is being offered at ₹13.99 lakh against ₹19.5 lakh.



ALL CHARGED UP. The key caveat is that the battery is not free. Buyers must still account for battery EMIs. Charging and on-road costs remain additional expenses REUTERS

At JSW MG Motor India, which introduced BaaS with the Windsor EV, the financing model is estimated to contribute 12-15 per cent of EV sales. Tata has now expanded BaaS across six EVs, creating an advertised price band ranging from ₹4.69 lakh to ₹14.49 lakh.

A closer look at battery-financing rates changes the picture. Mahindra quotes an effective battery-financing cost of ₹3.75 per km for the 59-kWh BE 6 Sporteq. This compares with ₹5.5 for Tata's 63-kWh Sierra.ev and ₹4.9 for MG's 69.2-kWh Tomahawk.

On advertised metrics, Mahindra offers both the lowest entry price and the cheapest quoted battery-financing rate among the three contenders. However, comparisons are not entirely like-for-like because battery capacities, specifications and financing structures differ.

Competition is equally intense in the mid-market segment. Maruti Suzuki's eVitara, Tata's Curvv.ev and Hyundai's Creta Electric can all be presented at an identical advertised vehicle price of ₹10.99 lakh under BaaS. Yet financing costs vary. Hyundai quotes ₹3.9 per km, Maruti Suzuki ₹3.99 and Tata ₹5.

PRICE LADDER

The battle extends further down the market. Kia's Syros EV starts at ₹7.99 lakh under BaaS, Tata's Nexon.ev at ₹8.99 lakh and MG's Windsor at ₹9.99 lakh. At the entry level, Tata's Tiago.ev is priced at ₹4.69 lakh, MG's Comet EV at ₹4.99 lakh, Tata's Punch.ev at ₹6.59 lakh and Citroen's e-C3X Extended at ₹6.99 lakh.

Tata's expansion has effectively created a parallel EV price ladder by moving one of the vehicle's costliest components out of the upfront purchase price and into a separate financing obligation.

"As BaaS becomes an increasingly visible construct in the EV market, we want to ensure that customers evaluating a TATA.ev have flexibility to make a fair and transparent comparison," said Vivek Srivatsa, Chief Commercial Officer, Tata Motors Passenger Vehicles.

The key caveat is that the battery is not free. Buyers must still account for battery EMIs, which vary by battery size, down payment and tenure. Charging and on-road costs remain additional expenses. For now, Mahindra leads on advertised affordability in the ₹19 lakh segment, Tata has the broadest BaaS lineup, and Maruti has turned the ₹10.99 lakh bracket into a fiercely contested category.

For consumers, the sticker price may be attractive, but the real cost calculation starts after one leaves the showroom.

The Times of India, 3 October 2026

At over 3.3L, EVs witness record registrations in Sept

G.Balachandar
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Chennai: Sept turned out to be a record month for electric vehicles, with total registrations across segments touching an all-time high of 3.3 lakh units. The final number is likely to be slightly higher as there is typically a time lag before all registrations are reflected on the Vahan dashboard.

Last month was also the fourth consecutive month in which EV registrations crossed the 3-lakh mark, signalling sustained momentum for battery-powered vehicles in the country.

The sales surge in Sept was broad-based, with both electric two-wheelers (E2Ws) and passenger vehicles posting new monthly records. E2Ws led the charge, with registrations climbing to a record 2.07 lakh units, registering significant year-on-year growth.

TVS Motor more than doubled its volumes year-on-year to about 54,000 units, as its monthly volumes bounced back to above the 50,000 mark after falling below that level in Aug. Bajaj also more than doubled its volumes year-on-year to about 48,400 units, while Ather's volumes stood at about 30,500 units, compared with 19,620 units in Sept 2025. Hero, Ola and Greaves sold more than 24,300 units, 13,450 units and 9,300 units, respectively.

Electric passenger vehicles (e-PVs), too, hit a new high of around 36,000 units, almost double the volume sold in Sept 2025, indicating that electric cars are steadily gaining traction despite their relatively higher upfront costs.

Tata remained the leader with e-PV sales of about 14,712 units (7340 units in Sep'25). Mahindra occupied the No. 2 spot with sales of 7,742 units (3783 units) and widened its gap with the third-ranked JSW MG Motor, which sold 5,226 units in Sept this year (4800 units). VinFast sold 2,960 units (just 6 units in Sept 25). Electric three-wheeler sales also bounced back in Sept to more than 86,000 units, compared with around 80,000 units in Aug and 88,315 units in July. In Sept 2025, sales stood at 61,434 units.

LPG demand down, diesel, petrol sales up

New Delhi: LPG demand fell by over 9% year-on-year in Sept, while petrol and diesel sales registered growth of 7% and 5%, respectively, provisional data released by the Petroleum Planning and Analysis Cell (PPAC) showed.

LPG consumption in Sept was recorded at 2.6 million tonnes (MT), compared to 2.9 MT during the same month a year earlier. Month-on-month consumption, however, registered a growth of 8%, up from 2.4 MT. Petrol sales increased from 3.4 MT in Sept last year to 3.6 MT, while diesel consumption rose from 6.8 MT to 7.1 MT.

Cumulative petrol consumption during Apr-Sept in the current financial year increased 7% to 22.6 MT, while diesel consumption rose 4.8% to 47.9 MT. TNN

Business Standard, 8 October 2026

ePV sales nearly doubled in Sep

SOHINI DAS
Mumbai, 7 October

Electric passenger vehicle retail nearly doubled in September, while electric two-wheeler sales rose almost 89 per cent, with rising penetration in both segments signalling that EV growth is outpacing the broader vehicle market.

ePV retail grew 94.6 per cent year-on-year (Y-o-Y) to 36,108 units in September, according to data from the Federation of Automobile Dealers Associations (Fada). Sales grew 17.6 per cent sequentially. Stronger growth compared with the overall PV market pushed EV penetration to 8.5 per cent, up sharply from 5.7 per cent a year ago and 7.6 per cent in August.

Fada President Sai Giridhar said September marked India's highest-ever monthly EV retail volume, with 333,634 vehicles sold across categories — up 74 per cent Y-o-Y — as overall EV penetration rose to around 13 per cent from 10 per cent a year ago. "Electric vehicles did not merely grow against last year, they set a new all-time high," he said.

Growth in electric cars is also becoming more broad-based. Although Tata Motors remains the market leader, Mahindra & Mahindra has rapidly scaled up its electric portfolio, while newer entrants and launches from VinFast, Kia and Maruti Suzuki have expanded the choices available to buyers.

Tata Motors Passenger Vehicles retailed 14,791 EVs, up 100.7 per cent Y-o-Y, while Mahindra & Mahindra nearly doubled its volumes to 7,780 units. Together, the two accounted for around 63 per cent of e-PV sales in September.

JSW MG Motor India, the country's third-largest EV manufacturer, sold 5,242 units, up 9.1 per cent Y-o-Y. VinFast sold 2,964 units, while Kia's volumes more than doubled to 1,262 units. Maruti Suzuki, which entered the electric PV market this year, retailed 1,104 units in September, down 21.8 per cent sequentially.

More on business-standard.com

Strong showing Sales of top 3 players in Sept 2026

		Sept '26	M-o-M %	Y-o-Y %
ePV	Tata Motors PV	14,791	12.41	100.72
	Mahindra & Mahindra	7,780	20.36	95.82
	JSW MG Motor India	5,242	13.41	9.14
	Total	**36,108**	**17.63**	**94.56**
e2W	TVS Motor Company	54,037	10.42	125.87
	Bajaj Auto	48,429	17.79	138.87
	Ather Energy	30,533	6.18	55.62
	Total	**207,314**	**13.16**	**88.67**

Note data collated 03.10.2026 from 1,468 of 1,469 RTOs; Total includes other brands also
Source: Fada Research

Business Line, 10 October 2026

EVs now make up 64.9% of all three-wheeler sales

In the lead

Electric three-wheeler sales (in units)

Company	Sep-25	Sep-26	Growth (in %)
Bajaj Auto	6,978	15,109	116.52
Mahindra Group	8,364	14,716	75.94
TVS Motor Company	2,501	4,630	85.13
YC Electric Vehicle	3,208	2,355	-26.59
Saera Electric Auto	1,625	1,804	11.02

Source: FADA

T E Raja Simhan
Chennai

India's electric three-wheeler (e3W) retail sales surged 40 per cent y-o-y to 86,024 units in September. Last year same month, the category had seen sales of 61,434 units. The share of the overall three-wheeler market, too, increased to 64.9 per cent from 56.7 per cent a year ago, in the overall e3W market, per the Federation of Automobile Dealers Associations.

The 8.2 percentage point increase in market share highlights the growing acceptance of e3Ws in the last-mile passenger and goods transportation segment, driven by lower operating costs, improving vehicle performance and an expanding charging ecosystem, said experts.

E3W DEMAND

e3W now accounts for nearly two-thirds of the market and the next phase of growth will increasingly depend on replacement demand and the transition of existing CNG vehicle operators to electric mobility, noted analysts.

The key question now is how much further they could expand into the remaining segment, said Poonam Upadhyay, Director, Crisil Ratings.

Rajat Gupta, Business Head – Commercial Mobility Business, TVS Motor Company, attributed the growth to changing customer preferences. For commercial users, lower running and maintenance costs, improved range, charging convenience and the availability of capable, connected vehicles are making e3W an attractive proposition for daily operations, he said.

Suman Mishra, Managing Director and CEO of Mahindra Last Mile Mobility Ltd, said the passenger auto segment has now crossed 45 per cent electrification nationally. This growth is being driven by rapidly evolving ecosystem around EVs.

RAW MATERIAL

Business Line, 14 October 2026

India's steel demand to grow 8% in 2027, fastest among major markets: worldsteel

Gayathri G
Chennai

India's steel demand is projected to grow 7.9 per cent to 172.4 million tonnes (mt) in 2026 and 8 per cent to 186.2 mt in 2027, driven by infrastructure spending, private real estate activity and manufacturing expansion, according to the World Steel Association (worldsteel).

India will remain the world's fastest-growing major steel market even as global demand stagnates in 2026 amid a prolonged downturn in China's property sector and geopolitical uncertainty in West Asia, worldsteel said in its 'October Short Range Outlook', which was released on Monday.

Infrastructure-led construction will remain the key driver of Indian demand, supported by private real estate, manufacturing and renewable energy projects.

Expanding manufacturing capacity is also boosting steel consumption in electrical and mechanical machinery, while the automotive sector benefits from domestic demand, exports and policy support, the report said.

MUTED DEMAND

Worldsteel expects global demand to remain virtually flat at 1,722 mt in 2026 before growing 1.7 per cent to 1,752 mt in 2027. It has revised its 2026 outlook down from the modest growth projected in April and cut its 2027 growth forecast from 2.2 per cent.

The downgrade largely reflects China, where steel demand is expected to contract 2 per cent in 2026 as the property investment slump persists and infrastructure investment remains negative. The contraction is forecast to narrow to 1 per cent in 2027.



Steel demand outside China is projected to grow 1.5 per cent in 2026 before accelerating to 4 per cent in 2027, supported by industrial recovery in developed economies and continued momentum in developing markets.

INFRA, CLEAN ENERGY

India's demand outlook is underpinned by construction, capital goods and automobiles. Infrastructure development and private investment are expected to sustain consumption, while renewable energy projects will add to the demand for steel-intensive equipment and structures.

India is expected to sustain high single-digit demand growth, while China remains in contraction as its property market adjusts.

However, worldsteel cautioned that the global outlook remained exposed to risks from instability in West Asia and energy market disruptions.

GOVERNMENT POLICY

Business Standard, 1 October 2026

CAFE-III norms notified; no carve-out for small cars

Manufacturers will face revised emission targets from April 2027

DEEPAK PATEL
New Delhi, 30 September

After multiple drafts, intense discussions and bitter fights among carmakers over the past 27 months, the Ministry of Power late Tuesday night notified the Corporate Average Fuel Economy (CAFE-III) norms to lower carbon dioxide emissions.

The final notification made it clear that small cars will not get a separate concession. Maruti Suzuki India (MSIL), India's largest carmaker and the country's dominant small-car seller, had strongly pushed for such relief.

The September 2025 draft had introduced a provision that would have given petrol cars weighing up to 909 kg a special 3 grams per km (gm/km) concession. Under the proposal, 3 gm/km would be deducted from the carbon dioxide emissions figure of such cars while calculating the manufacturer's CAFE performance.

Various other automakers — including major electric vehicle (EV) makers Tata Motors and JSW MG Motor — had vehemently opposed the carve-out, stating that it would disproportionately benefit a segment



dominated by one carmaker. The dispute kept escalating and finally reached the Prime Minister's Office (PMO). The CAFE-III norms will come into effect from April 2027 and remain in force until March 2032.

Small-car dispute settled

The government has settled the dispute not by giving any carve-out, but by changing the main CAFE equation itself, which is used to calculate the carbon dioxide emissions target for each automaker.

This is important because CAFE targets are not fixed for every car. They are calculated for each manufacturer's fleet based on the weighted average weight of the vehicles it sells. The heavier the fleet, the higher the permitted fuel consumption target.

The September 2025 draft used 1,170 kg as the reference weight and had a relatively steep weight adjustment. It also separately gave qualifying sub-909 kg petrol cars a 3 gm/km concession.

The final notification removes that separate concession and shifts the reference weight to 1,229 kg. It also uses a flatter weight adjustment, with the annual multiplier declining from 0.00158 in FY28 to 0.00131 in FY32. In simple terms, this changes the benefit across the industry. Lighter fleets get a softer target than they would have under the September 2025 formula, while heavier fleets get a harder target.

For example, using the final notification's formula, a 909-kg car gets an FY28 emissions target of about 82.8 gm/km, compared with about 76 gm/km under the September 2025 formula. At the other end, a 2,500-kg car gets an FY28 target of about 142.4 gm/km under the final formula, compared with about 151.4 gm/km under the September 2025 formula. This means the final formula is significantly stricter for very heavy vehicles.

Thus, rather than creating a special category for cars below 909 kg, the government has effectively built more relief for lighter vehicles into the broader formula.

In its statement, the Ministry of Power said: "The revised target line has been flattened to provide a more balanced, weight sensitive approach, with relatively softer targets for lighter vehicles and greater fuel efficiency requirements for heavier vehicles. The reference weight has been increased from 1,082 kg under existing (CAFE-II) norms to 1,229 kg under new (CAFE-III) norms, an increase of around 13.6 per cent, reflecting the evolving characteristics of the passenger vehicle fleet."

The first CAFE-III draft was released by the Bureau of Energy Efficiency (BEE) — which works under the Ministry of Power — in June 2024. Maruti subsequently sought separate relief for small cars. The September 2025 draft formally introduced the 3 gm/km provision, after which the industry split sharply. The BEE issued another revised draft in July this year, wherein it removed the carve-out for small cars.

more on business-standard.com

Journey of CAFE-III proposals

Parameter	First proposal (June '24)	Revised draft (Sep '25)	Revised draft (July '26)	Final notification (Sept 29, '26)
Small-car special benefit	No carve-out mentioned	Carve-out introduced of 3 gm/km *	Carve-out removed	No carve-out mentioned
Electric vehicle super credit**	4x	3x	3x	3x
Strong hybrid vehicle super credit	1.2x	2x	1.6x	1.6x
Flex-fuel vehicle super credit	Not mentioned	1.5x	1.1x	1.1x
Compliance structure	No credit-debit system	No credit-debit system	Annual credits/debit system introduced, settled through 3-year and 2-year compliance blocks	Annual credits/debits, settled through 3-year and 2-year compliance blocks

*This carve out for cars weighing less than 909kg started a bitter fight among carmakers, with even Prime Minister's Office being asked to intervene
**Super credit is a provision under which certain cleaner vehicles get greater weight in the sales-weighted fleet average, helping lower a manufacturer's overall average emissions and meet its CAFE target

Source: Govt documents

Business Line, 5 October 2026

DPDP Act: Firms pragmatic over registering

IN LIMBO. Data Protection Board yet to be set up; detailed guidelines on the Consent Manager regime are to be published

Sindhu Hariharan
Chennai

As companies work towards the May 2027 deadline of the Digital Personal Data Protection (DPDP) Act, a key milestone in the implementation cycle is fast approaching from November 13, 2026, consent managers can apply to the Data Protection Board (DPB) for registration.

However, with just one month to go for this, and the key adjudicating authority — the DPB — yet to be set up and the Board's detailed guidelines on the Consent Manager regime yet to be published, entities are still deliberating whether they would register; their decision is in limbo.

Consent managers are essentially registered, neutral intermediaries that allow individuals to give, manage, review or withdraw consent for their personal data across multiple organisations from a single interface.

This regime has emerged as a new area for privacy tech and data companies to enter, but many of them are still uncertain if they will throw their hat in the ring. The monetisation potential in operating as an intermediary is one such uncertainty, and multiple other aspects remain unclear.

TECH STACK

Currently, software makers providing the tech stack for consent management (the likes of IDfy, Redacto, CAMS and more) are seeing brisk business for their solutions but are still watching for clearer guidelines from the DPB to decide on becoming intermediaries.

Ram Charan Sesharaman, Chief Financial Officer (CFO), CAMS, which has built consent management tech stack ConsenPro, said the response had been encouraging, with over 15 implementations. "Traction in BFSI has been particularly strong, with several capital-market institutions and NBFCs choosing our solution," he added.

Citing industry estimates of DPDP-led tech and compliance spending to be over ₹10,000 crore during the next three years, Sesharaman said consent architecture and governance alone could bring in around ₹1,000 crore (10 per cent). "We will see once the Board sets up clear guidelines, but we'd rather be the technology provider [than the intermediary]," he added.



DIGITAL PERSONAL DATA PROTECTION ACT

- Consent manager registrations open on November 13, but DPB formation still awaited
- Firms hold back as eligibility, monetisation and conflict-of-interest concerns cloud decisions
- Fewer than four in 10 enterprises have mapped their data and third-party handlers, IDfy estimates
- However, DPDP implementation has picked up pace as focus moves from data discovery to building systems
- Government sources say the Board's composition will be announced soon

Malcolm Gomes, COO, IDfy, Head of Privy by IDfy, said Privy is currently engaged with 50-plus live enterprise implementations in banking, insurance, healthcare and retail. He declined to comment on whether IDfy will apply to be consent managers. "DPDP implementation is looking quite different across sectors because the underlying data environments are very different... Right now, fewer than four in 10 enterprises have mapped their data and third parties handling it, and nearly 80 per cent have not yet operationalised DPDP-aligned privacy governance frameworks," Gomes said.

WAITING

Shashank K, Co-founder of AI-powered data privacy and governance platform Redacto, said firms like Redacto are apt to serve in the Consent Manager role. "There will likely be a monetisation roadmap but we are still awaiting clarity on the nuances of who can apply." On the point of conflict, he said tech providers only provide the tech stack to companies and do not directly access the data or process it.

Maulik Bengali, Founder and CEO, IQWorks, said they are actively evaluating applying as their platform has been built particularly for the DPDP Act and Rules, along with the MeitY Electronic Consent Framework. Whether a firm that also serves businesses qualifies [to be an intermediary] will depend on Board's view of each application.

"Tomorrow, it may become a little messy area for us to get into it if any conflict parameters prohibit us from getting involved in selling our consent management tech; so we will wait and decide," another executive said.

STAYING AWAY

Shahana Chatterji, Partner, Shardul Amarchand Mangaldas & Co, said there will be short-term operational challenges around how these platforms must operate and what the monetisation models will look like. "There are also strict eligibility criteria and it is likely because of this that we will not see too many entities rushing to seek registration next month."

Industry sources said large consulting firms and law firms may largely stay away from the intermediary role to avoid any business conflicts. Government sources said the formation and composition of the DPB will be announced "soon."

Business Line, 6 October 2026

EVs not the only solution to cut pollution: Venu Srinivasan

Our Bureau
New Delhi



THE PATH FORWARD. EVs should grow organically, with consumers' choice playing an important role, said Venu Srinivasan, Chairman Emeritus, TVS Motor Company

Electric vehicles (EVs) are not the only solution to reduce pollution, and the auto industry should remain technology-agnostic in its efforts to cut emissions while giving consumers a greater choice, said Venu Srinivasan, Chairman Emeritus, TVS Motor.

"I always believe we have to be agnostic [in technology] and look at the net effect on the country in terms of pollution, quality and environment. So, EV is not the only solution," he said on the sidelines of the IFQM Symposium 2026 on Monday.

Srinivasan said EVs should be allowed to grow organically, with consumer choice playing an important role. In India, EV adoption has been gaining ground, particularly in the three-wheeler and two-wheeler segments.

ETHANOL BLENDING

On ethanol blending in petrol, the auto veteran said the policy could help India reduce its dependence on fuel imports, while the impact on vehicle performance has so far been limited. "The degradation in performance is very marginal. I think that should not deter us. After all, the whole of Brazil runs on ethanol," he noted.

Further, Srinivasan said consumers should not necessarily need a choice of fuel blends up to E10, but there could be a case for offering a choice at higher blending levels because of concerns over the impact of higher ethanol content on vehicle materials. "There might be a mild fuel drop, but I think that is being played up too much. The country should look at the imports. And it is ecologically more friendly... I always believe that their choice should be there," he said.

He also stressed the need for Indian companies to raise quality and productivity standards as they seek to expand their global presence.

The Economic Times, 8 October 2026

EU Plans Import Limits on Chinese Hybrid Vehicles

Bloc's trade chief Sefcovic is set to meet counterpart later this week

The European Union is preparing so-called safeguard measures that would limit imports of Chinese hybrid vehicles into the bloc in a bid to reduce the trade deficit.

The European Commission, which handles trade matters for the EU, may impose the restrictions after Chinese-made hybrid sales surged in Europe, according to people familiar with the matter. They now make up a quarter of total sales, while the growth of imports of Chinese electric vehicles, which already face steep EU tariffs, has slowed.

The news sparked a rally in the shares of automakers, with Volkswagen rising as much as 4.6%, Renault as much as 6.1%, and Mercedes-Benz Group as much as 2%.

Safeguard measures allow the EU to restrict products from a sector if there's been a surge of imports into the bloc. One way the commission can enforce this is through the use of tariff-rate quotas, which place a levy on imports above a certain volume. The cap proposed by the EU would be time-limited, the people said. The commission plans to use hybrids as a test case, which, if successful, could be replicated with other sectors where the bloc sees trade imbalances, according to people familiar with the matter.

The EU's trade chief, Maros Sefcovic, will travel to Beijing later this week for talks with Chinese Commerce Minister Wang Wentao, and the bloc's plans could change depending on how those discussions go, said the people. **Bloomberg**



'Brussels to Tax US Tech Giants More'

Brussels is considering taxing big US tech companies through a broad levy on large corporations in an effort to raise revenues for the EU while avoiding a backlash from the US administration, FT reported Wednesday.

The European Commission was working on new ways to capture more income from tech groups such as Apple, Meta and Google without singling them out, the report said. **Reuters**

Business Standard, 14 October 2026

IMF raises India's FY27 GDP growth view to 7% from 6.4%

Cites resilient demand, but warns of risks from war and AI investments

ASIT RANJAN MISHRA
New Delhi, 13 October

The International Monetary Fund (IMF) on Tuesday raised its FY27 growth forecast for India to 7 per cent from 6.4 per cent estimated in July, citing stronger-than-expected momentum in domestic demand and services activity.

"India remains among the fastest-growing major economies, with growth in 2026 projected at 7.0 per cent. This reflects stronger-than-expected momentum, supported by resilient domestic demand and robust services activity," it said in its latest World Economic Outlook.

The revision in growth forecasts by economic forecasters comes following unexpectedly strong growth of 7.8 per cent in the June quarter of 2026-27 (Q1FY27). Recently, the Reserve Bank of India (7.1 per cent), World Bank (7.1 per cent) and Asian Development Bank (7 per cent) also raised their growth forecasts for FY27. The IMF also raised its India forecast for FY28 to 7 per cent from 6.7 per cent estimated earlier.

"India stands out with upward revisions, reflecting sustained momentum and growing evidence of stronger growth potential supported by favorable demographic dynamics, a large and expanding domestic market, and continued structural reforms," it added.

While raising its forecast for 2026 by 10 basis points to 3.1 per cent, the multilateral lending organisation said two major transformative forces — geopolitics and technology — are reshaping the global economy, with their short-term impact gradually coming into view and their longer-term impact still largely unknown.

"Headwinds from a prolonged war and persistent geopolitical tensions could revive inflationary pressures, strain fiscal and external positions, and hit energy-importing and low-income countries hardest. At the same time, the current technology tailwind could stop abruptly if expectations about AI-related profits and productivity gains are reassessed, weakening investment and tightening financial conditions," it said.

The IMF advised policymakers to follow a two-pronged approach. "Contain the immediate risks from inflation, debt, and financial fragility while putting in place the infrastructure, skills, and competitive environment needed for technological transformation to translate into broader and more balanced growth, with the gains distributed more evenly across and within countries," it added.

It cautioned that a more protracted war that kept crude oil prices above $130 through the first quarter of 2027 would cut global growth in 2027 by half a percentage point.

In another downside scenario, the IMF said a steep drop in AI investment could lead to a sharp fall in asset prices, ultimately cutting global GDP by 1.1 per cent by 2028.

"We now have an economy that is standing on one leg, the AI leg," IMF Managing Director Kristalina Georgieva told a Bretton Woods Committee event. "What if it wobbles? What if there is disappointment and that leads to potentially a more difficult environment?"

The IMF emphasised similar risks in its separate Global Financial Stability Report, warning that policymakers needed to avoid "complacency" in guarding against a potential pullback in AI investment and stock valuations.

An ensuing AI market correction would feed back through the real economy, dragging down broader asset prices and overall demand through a reduction in the wealth effect, said Athanasios Vamvakidis, deputy director of the IMF's Monetary and Capital Markets Department.

It would also lead to reduced trade, IMF chief economist Silvana Tenreyro said. Trade in AI goods grew 29 per cent between 2023 and 2025, more than triple the 8.3 per cent growth rate of global trade over the same period. Without AI trade, overall growth in trade would have been only 4.6 per cent, she said.

However, the IMF maintained that the potential upside should not be dismissed. "The constellation of accommodative financial conditions, robust private sector adjustment, and AI-related investment could carry activity through the war shock and begin to lift productivity," it added.

With inputs from *Reuters*



In focus

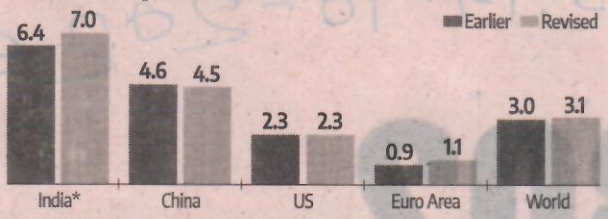
Macro-outlook for India (in %)

	FY26 (actual)	FY27E	FY28E
Retail inflation	2.0	5.0	4.4
Current account deficit (as a % of GDP)	0.7	1.5	1.3
Unemployment	5.0	5.0	5.0

E: Estimates Source: IMF

Cautious optimism

IMF growth forecasts for 2026 (in %)



*For India, the projections are for FY27; for the rest of the world they are for 2026

The Economic Times, 14 October 2026

MSMEs Need to Focus on Quality, Cost to Gain from New FTAs: Secy

Our Bureau

New Delhi: India's expanding network of free trade agreements (FTAs) and economic partnerships is opening new opportunities for micro, small and medium enterprises (MSMEs) to expand their global footprint, but improving quality and cost competitiveness will be critical for converting these opportunities, said MSME ministry secretary Bharat Khera.

"The opportunity does not automatically translate into growth," he said on Tuesday, underlining the need for enterprises to build greater trust through quality and become globally cost-competitive. Speaking at the CII Global MSME Business Summit, Khera said government schemes aimed at promoting exports would need to be complemented by practical assistance and handholding, particularly for first-time exporters.

The goal, he said, is to make MSMEs more productive, innovative, resilient and globally confident. "One that creates more employment, contributes much more to exports, strengthens the manufacturing and supply chain," he said. The secretary highlighted the five priority areas for the government to enhance MSME competitiveness: formalisation, access to finance, technology and quality, export competitiveness, and entrepreneurship and enterprise development. These five key points are closely interconnected, according to Khera. "Formalisation improves access to finance, technology and quality upgrades support productivity, and stronger export capabilities create opportunities for sustainable growth," he said.


Bharat Khera

The MSME sector accounts for 30% of the gross domestic product (GDP) and around 49% of exports. Khera said that in this environment, boosting the competitiveness of Indian MSMEs is essential for economic growth and achieving the vision of Viksit Bharat. He noted that consistent quality, competitive pricing and reliable delivery schedules are crucial for Indian suppliers seeking to expand their presence in global markets. Additionally, he called for upgrading the country's testing infrastructure to ensure that products manufactured by Indian enterprises conform to international standards. Certification remains another area requiring attention; while participation in bronze-level certifications has improved, the uptake of silver and gold tiers remains low, leaving significant scope for progress.

According to the CII and Indian School of Business study, 32% of the surveyed MSMEs held recognised certification.

Among non-certified respondents, 50.9% said their customers did not require certification, while 30.4% cited a lack of awareness. The study also emphasised that enterprises must receive timely payments, use technology productively, meet quality standards and develop talent.

Business Line, 15 October 2026

India's trade deficit with China crosses $100 billion in 2026

WIDENING IMBALANCE. Indian exports to China registered a robust 40.7 per cent, reaching last year's total

Ananth Krishnan
Beijing

India's exports to China grew 40 per cent in the first three quarters to $20 billion, although the trade deficit with China has continued to widen, already crossing $100 billion this year, according to data released on Wednesday by China's General Administration of Customs (GAC).

Two-way trade between January and September was up 25.4 per cent to $144.45 billion, while India's imports from China continued to rise, up 23.3 per cent to $125.19 billion.

Indian exports to China registered a robust 40.7 per cent growth, albeit from a much smaller base, to $19.26 billion after the first three quarters, already reaching last year's total.

TRADE DEFICIT

The trade deficit stood at $105.93 billion and is on track to surpass last year's record figure.

The widening imbalance has remained a source of concern for New Delhi, with the deficit figuring in last month's talks between Prime Minister Narendra Modi and Chinese President Xi Jinping on the sidelines of the BRICS summit. In 2025, the trade deficit grew to $116.12 billion and is set to be surpassed yet again this year.

Exports to China have, however, shown some promise, up by 40.7 per cent. India's major exports to China this year have included seafood products, naphtha, and printed circuit boards, which until recently India was buying in bulk from the neighbouring country.

Indian officials say while there is no expectation for trade to be perfectly balanced, the broader concern is the heavily lop-sided trade relationship, a lack of market access for Indian firms, and the nature of India's imports.



MAJOR EXPORTS. India exported seafood products, naphtha, and printed circuit boards to China, which until recently India was buying in bulk from the neighbouring country

While India requires large amounts of intermediates from China for manufacturing, the continued reliance on finished goods, including large quantities of electronics and machinery, remains a concern.

EXPORT CONTROL

India is also concerned by Chinese export controls in an increasing number of sectors, from fertilizers to rare earths.

At last month's meeting in New Delhi, both leaders "underlined the need to address each other's concerns, including structural trade imbalance and supply chain issues, and facilitation of meaningful and predictable market access", a statement from the Ministry of External Affairs said.

Both leaders also "took note of the progress in people-to-people ties and underscored the need to further promote cultural exchanges, business linkages and greater mobility between the two countries", the statement said, following the normalisation in relations since the October 2024 meeting between the two leaders.

A statement from China's Foreign Ministry after the meeting said the "two sides should also address each other's economic and trade concerns in a balanced way and promote the sound and steady development of economic and trade relations".

Business Standard, 15 October 2026

BS-VII clock starts ticking, Centre targets 2029 rollout

Draft tightens on-road emissions tests; industry seeks 2032 timeline

SOHINI DAS, SHINE JACOB & DEEPAK PATEL
Mumbai/Chennai/New Delhi, 14 October

The government has proposed introducing Bharat Stage-VII (BS-VII) emission norms for passenger vehicles (PVs) from April 1, 2029, bringing brake and tyre pollution, tougher real-world emissions checks, and battery durability under a wider regulatory framework.

The proposal caught auto makers by surprise. Industry executives warned that the compressed timeline could disrupt product launch schedules and slow electric vehicle (EV) development as companies divert engineering and research resources towards compliance.

The Ministry of Road Transport and Highways (MoRTH), in a draft notification dated October 12, has proposed implementing the standards in three phases — April 2029, April 2031, and April 2035. It primarily covers M1-category PVs, including cars and sport utility vehicles with no more than eight seats in addition to the driver's seat. Industry sources expect subsequent notifications covering light, medium and heavy commercial vehicles.

Unlike the transition from BS-IV to BS-VI, the proposed BS-VII framework does not lower the principal tailpipe emission limits for PVs. Limits for carbon monoxide, nitrogen oxides (NOx), hydrocarbons, and exhaust particulate matter (PM) remain unchanged. For instance, the NOx limits remain at 60 milligrams per kilometre (mg/km) for petrol vehicles and 80 mg/km for diesel vehicles, while the PM limit remains at 4.5 mg/km.

The key changes concern how emissions are tested and monitored throughout a vehicle's life, alongside new requirements for brake and tyre pollution, EV battery performance, and vehicle data.



The road map

- In a draft notification, MoRTH has proposed a 3-phase implementation
- Staggered BS-VII rollout planned with April 2029 for for cars and SUVs
- April 2030 timeline for small goods delivery and pick-up vans
- Heavy-duty vehicles emission norms proposed from April 2031
- Proposed norms to be fully aligned with Euro 7 norms

Industry executives said the proposed standards would nevertheless require heavy investment in technology, software, testing facilities, and engineering capabilities.

Launch schedules may be disrupted: Industry

Automakers have argued that a 2032 deadline would be more pragmatic than April 2029, given the scale of preparations required. Industry sources said manufacturers already had product development programmes and investment plans extending into the next decade, and the proposed transition could force them to revisit launch schedules between 2027 and 2030.

A senior executive at a PV manufacturer said the biggest concern was the potential impact on EV development. With internal combustion engine (ICE) vehicles accounting for nearly 90 per cent of manufacturers' portfolios, companies would have to prioritise upgrading existing models to meet BS-VII requirements. This could leave limited engineering manpower, research and development resources, and testing capacity for developing new electric models. The official said manufacturers could be forced to revisit plans for some launches. Industry representatives favour a phased transition beginning in 2032.

Brakes, tyres to be tested

One of the biggest changes under BS-VII is the explicit regulation of pollution from brakes and tyres, which generate particulate emissions even in vehicles without tailpipes.

From April 1, 2031, the proposed limit for brake particulate matter (PM10) will be 3 mg/km for pure EVs and 7 mg/km for conventional engine vehicles, hybrids, and other specified powertrains. From April 2035, a uniform limit of 3 mg/km will apply to all M1 vehicles.

EVs could benefit from regenerative braking, which reduces reliance on conventional friction brakes, but would still have to comply with the prescribed limits.

Tyre abrasion requirements are also proposed from April 2031. However, the numerical limits and detailed testing procedures are yet to be notified, leaving manufacturers uncertain about the technical changes and costs involved.

Lab tests not enough

The draft also tightens requirements for real-driving emissions testing, which measures pollution using portable equipment while vehicles are driven on roads. Although BS-VI already mandates real-world testing, the proposed BS-VII framework specifies a conformity factor of 1.0 for NOx and particle numbers for type approval from April 1, 2030. So, vehicles would not be allowed an additional emissions margin over the prescribed laboratory limits during the applicable real-world test.

An executive at a Mumbai-based automaker said the change could require manufacturers to improve emission control systems and ensure they perform consistently under everyday driving conditions. The draft also expands onboard emissions monitoring once vehicles enter service.

While BS-VI requires onboard diagnostics (OBD) to detect faults in emission-control systems, BS-VII introduces on-board monitoring to measure and record actual NOx and particulate emissions. The draft requires the system to detect emissions reaching at least 2.5x the applicable limits.

From April 2032, monitoring data must also be accessible through the vehicle's OBD port, according to the draft.

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