

Auto sales growth forecast at 1-2% for current fiscal

ROUGH RIDE. High base year & macroeconomic factors to limit growth, say auto firms

S Ronendra Singh
New Delhi

Passenger vehicle (PV) wholesales (dispatches to dealers) witnessed a mixed trend in March in the domestic market with both market leaders Maruti Suzuki India (MSIL) and Hyundai Motor India (HMIL) reporting a decline in numbers on a yearly basis.

The companies said that the trend would continue because of the high base last year and macroeconomic factors such as tepid consumption growth, inflation, infrastructure spending and geopolitical headwinds.

With sports utility vehicles (SUVs) still continuing to dominate the market in both urban and rural markets, limited choice would also degrade the market for other forms of vehicles, industry veterans said.

"PV industry growth, as forecast by Society of Indian Automobile Manufacturers (SIAM), is between 1 and 2

March auto sales

Company	March 2025	March 2024	% change
Passenger Vehicles			
Maruti Suzuki India	1,50,743	1,52,718	-1.2
Hyundai Motor India	51,820	53,001	-2.2
Tata Motors	51,616	50,110	3.0
M&M	48,048	40,631	18.25
Kia India	25,525	21,400	19.3
Toyota Kirloskar Motor	28,373	25,119	13.0
Honda Cars India	7,228	7,071	2.2
JSW MG Motor India	5,500	5,050	9.0

Source: Companies

per cent because fundamentally, I think, we are not expecting a very high growth in the current year in terms of auto industry. In March, our retail numbers are more than the wholesale numbers," Partho Banerjee, Senior Executive Officer, Marketing & Sales, MSIL, told reporters on a call.

Banerjee also said that the company will soon start following the Vahan data (under the Ministry of Road Transport & Highways) to share the actual sales numbers (retail numbers) because that gives the actual picture of the industry.

MSIL also recorded the

highest-ever exports in FY25 with more than three-lakh units, the company said.

"During the year, we commenced exports of Fronx and Jimny 5-door to Japan and it is heartening that both models have received overwhelming response. This is a testament to India's growing stature as a global manufacturing hub," Hisashi Takeuchi, Managing Director and Chief Executive Officer, MSIL, said.

INDUSTRY VOLUMES

In terms of PV industry volumes, domestic wholesales stood at around 3.8-3.9 lakh for March and at around

43-lakh unit mark for FY25.

Shailesh Chandra, Managing Director, Tata Motors Passenger Vehicles and Tata Passenger Electric Mobility, said, "Overall demand growth will be shaped by macroeconomic factors such as consumption growth, inflation, infrastructure spending and global geopolitics."

Industry veterans said that there were spikes in demand throughout the last two years, which is now softening and therefore, high-base year effect would now be seen in the coming months. However, there are companies like Mahindra & Mahindra (M&M), which are driving their sales with new launches in both internal combustion engine (ICE) and electric vehicles, and recorded highest-ever growth in its history.

"The year ended on a very positive note with us selling over five-lakh SUVs in the domestic market for the first time ever," Veejay Nakra, President, Automotive Division, M&M, said.