

PVs experience bumpy H1 ride

Wholesales decline 6.4% in June to 320,000 units, retail registrations fall 4.4%

ANJALI SINGH

Mumbai, 1 July

Domestic passenger vehicle (PV) dispatches in the first six months of calendar year 2025 were in the slow lane, with major players like Maruti Suzuki India (MSIL), Tata Motors, and Hyundai Motor India reporting a decline in volumes. Companies like Mahindra & Mahindra (M&M) and Škoda Auto India, however, bucked the trend, riding on the buzz created by new launches.

In June, overall industry volumes dipped. According to industry estimates, wholesales fell 6.4 per cent to 320,000 units. Retail registrations also declined by 4.4 per cent to 294,000 units during the month, industry insiders said.

MSIL posted a 2.2 per cent decline in dispatches for first half (H1) 2025 to 880,730 units. In June, dispatches dropped sharply by 13.3 per cent to 118,906 units. MSIL's utility vehicle (UV) sales also fell in June — from 52,373 units to 47,947 units.

The company said the slowdown in the small car segment was the key reason behind the industry's muted demand trend. Rahul Bharti, senior executive officer, corporate affairs, MSIL, said that since 2019, the entry-level price point in the industry has risen by over 70 per cent, largely due to stricter regulations, and sales of smaller

Dispatches disappoint

Company	June dispatches	Change Y-o-Y (%)	H1 dispatches	Change Y-o-Y (%)
Maruti Suzuki	118,906	-13.30	880,730	-2.20
Tata Motors	37,083	-15.00	269,966	-7.89
Mahindra & Mahindra	47,306	18.00	301,194	20.00
Hyundai Motor India	44,024	-12.00	285,809	-7.70
Bajaj Auto	149,317	-16.00	987,476	-9.00
Royal Enfield	76,957	16.00	228,779	12.00

Source: Companies

cars have fallen by over 70 per cent.

“Historically, PV sales used to grow at 1.5x gross domestic product (GDP) growth. But now, even after 6.5 per cent GDP growth, the car market is nearly flat. This is because the once-mass small car segment is not participating in the growth at all” he said. Maruti's small car segment saw a 5.3 per cent decline in sales, reaching 455,009 units in H1 compared to 480,488 units in the same period last year.

What's concerning as a trend is that the UV segment (comprising models like the Grand Vitara, Brezza, Fronx, etc.) has also seen a decline in volumes.

Tata Motors saw a sharp 15 per cent dip in dispatches in June to 37,083 units (including electric ve-

hicles/EVs). For the first six months of the year, the company posted a 7.89 per cent fall in dispatches to 269,966 units.

Commenting on the trend, Shailesh Chandra, managing director, Tata Motors Passenger Vehicles and Tata Passenger Electric Mobility, said that in May and June there were extreme “volume pressures”. “In the first quarter of 2025-26, the PV industry experienced volume pressures, particularly in May and June, with flat growth reflecting continued softness in demand. However, the EV segment emerged as a bright spot.”

Hyundai Motor India posted a 7.7 per cent drop in dispatches in H1 to 285,809 units. For June, the company recorded a sharp 12 per cent

fall in dispatches to 44,024 units.

Tarun Garg, whole-time director and chief operating officer, Hyundai Motor India, said, “In the domestic market, the geopolitical situation continued to affect market sentiment, with domestic sales registering 44,024 units in June 2025. As we come closer to the beginning of production at the Tal-e-gaon plant, we remain cautiously optimistic about a gradual recovery in demand, supported by a reduction in repo rates and improving liquidity on account of a cut in cash reserve ratio.”

EVs, however, seem to have held up better. M&M, which began dispatching its EVs to dealers around March, saw a 20 per cent rise in dispatches in H1 to 301,194 units. In June, the company posted 18 per cent growth in sales to 47,306 units.

Bucking the trend, M&M posted a 20 per cent increase in domestic sales, with the company selling 301,194 units in H1. In June, domestic sales grew by 18 per cent, reaching 47,306 units compared to 40,022 units last year.

In two-wheelers, while overall industry data isn't yet available, major players like Bajaj Auto posted a 16 per cent fall in June dispatches, and H1 was also down 9 per cent. On the other hand, Royal Enfield posted a 16 per cent increase in domestic dispatches to 76,957 units compared to 66,117 units last year.

