

Festive demand drives up August two-wheeler sales

Wholesale units grow 7% on year

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MOTORCYCLE AND SCOOTER dispatches to dealers rose for the second consecutive month in August as manufacturers bet on an expected surge in demand in the upcoming festive period. Sales of six two-wheeler brands, which control about 95% of the domestic market, clocked a 7% year-on-year rise in volumes during August to 1.74 million units. A bountiful monsoon, which should augur well for the rural retail demand, is one of the reasons for the rise in sales.

The increase in volumes in August comes despite the possibility of a cut in the goods and services tax (GST) to 18% from 28% on two-wheelers expected this month. Retail volumes are expected to be lower in the month as consumers would wait to benefit from the revised GST. A loss in production due to shortages in rare earth magnet supplies did not hamper growth.

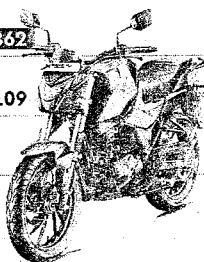
Hero MotoCorp, the country's largest two-wheeler maker, saw a 5% growth in volumes to 5,19,139 units, driven by both motorcycles and scooters. "Optimistic market sentiment is anticipated for the festive season, driven by favourable monsoon, an

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Domestic sales Aug-24 Aug-25 % Change

Hero MotoCorp	5	4,92,263	5,19,139
Honda	2	4,91,678	4,81,021
TVS Motor Company	28	2,89,073	3,68,862
Bajaj Auto	12	2,08,621	1,84,109
Suzuki	5	87,480	91,629
Royal Enfield	57	65,623	1,02,876

Source: Companies



increase in agricultural demand, and a projected boost in overall consumption due to impending GST reforms," the company said in a statement.

TVS Motor Company saw the best growth among its peers. The company clocked 28% growth in volumes to 3,68,862 units. Sales of its electric vehicles grew moderately in comparison at 1.4% during the month.

Eicher Motors-owned Royal Enfield saw a 57% growth in dispatches to 1,02,876 units. New colours and variants of some of its popular models helped the company in growth in volumes.

Honda Motorcycle and Scooter India and Bajaj Auto were the only companies that

recorded a fall in volumes. While Honda volumes declined by 2% to 4,81,021 units, Bajaj sales fell by 12% to 1,84,109 units. Pune-based Bajaj Auto suffered from shortages in magnets, which affected production of Chetak electric scooter. The company clarified in August that supplies of the magnets have improved and that it is ramping up production.

"The two-wheeler segment continued to outperform, likely due to inventory build-up for the festive season," ICICI Securities said in a report.

Research and rating agency Ica expects India's domestic two-wheeler industry to register a growth of 6-9% year-on-year in FY26.