

Auto companies keep eye on road

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Indian automobile companies, with exposure to West Asia, are in wait-and-watch mode as crisis in the region enters its fourth day.

Beyond the bigwigs like Maruti Suzuki, Hyundai Motor India and Ashok Leyland, several automobile manufacturers use their local production bases to export vehicles to countries in West Asia—including Saudi Arabia, the United Arab Emirates, Oman, and other Gulf Cooperation Council (GCC) states.

“The share of exports of even Maruti Suzuki may be around 3,000 units per month. Hence, it will not cause any major dent on exports. However, rise in fuel and raw material prices may impact the domestic sales. It may even lead to an electric vehicle boom,” said an industry analyst on condition of anonymity.

Maruti Suzuki said its exposure to West Asia is 12.5 per cent of its total exports. “We are closely monitoring the situation. However, our exposure to West Asia as an export region is not very high. In fact, as we export to nearly 100 countries, we have ensured that our portfolio is well diversified and inherently de-risked,” said Rahul Bharti, senior executive officer, Maruti Suzuki. In the region, the company exports mainly to Saudi Arabia, the UAE, Kuwait, Oman, and Qatar.



Hand on the wheel

- For Maruti Suzuki, West Asia accounts for about 12.5% of exports — around 3,000 units a month — limiting near-term impact
- Companies say diversified export markets reduce exposure to any single region
- Industry caution is more on higher fuel and raw-material costs than on export losses
- Firms like Nissan continue shipments to GCC markets, alongside players like Honda, Škoda Auto Volkswagen India, Toyota Kirloskar Motor, Kia India and Tata Motors

Nissan Motor India has positioned its Chennai facility as an export hub, but its current export volumes are largely driven by the Magnite compact SUV. While models such as the Sunny, Micra and Kicks were exported to overseas markets, including West Asia, they have since been discontinued in India and are no longer in production. Presently, the Magnite is shipped to over 60 countries, including several

GCC markets. Nissan recently launched Gravite, which would be exported to West Asia and many other countries.

Honda Cars India exports models such as the City, Amaze and Elevate from its Indian plants to multiple international destinations, including markets in West Asia. The company has steadily built its export base over the years, with overseas shipments forming an important part of plant utilisation.

Škoda Auto Volkswagen India (which oversees production for both Škoda and Volkswagen brands in India) exports vehicles such as the Volkswagen Virtus, Taigun and Škoda Kushaq to various global markets, including the Arab-Gulf region. The group has increased the share of exports from its Indian operations in recent years as part of its broader India 2.0 strategy.

Toyota Kirloskar Motor also ships made-in-India vehicles overseas. While export volumes are relatively smaller, Toyota dispatches select India-produced models to international markets, including West Asia, as part of its regional supply network.

Similarly, Kia India and Tata Motors export vehicles manufactured in India to overseas markets that include West Asia. Kia's SUV portfolio contributes to its export mix, while Tata Motors maintains a presence across Asia, Africa and West Asia through passenger and select commercial vehicle shipments.