

Car firms cut prices, 2W makers hold steady in H1

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As India's auto industry moves through the first half of the calendar year, a clear divergence has emerged in the way discounts are being offered. While passenger vehicles (PVs) are being sold at steep discounts to clear last year's inventory, two-wheeler (2W) manufacturers are taking a more restrained approach thanks to healthy retail demand and "manageable" inventory levels.

Carmakers Tata Motors, Volkswagen, Skoda, Renault, Jeep, and Nissan have discounts ranging from ₹70,000 to ₹2 lakh for various electric vehicles and SUVs; Hyundai has slashed the price of Ioniq 5, a premium electric SUV, by ₹4 lakh, while Mahindra is offering up to ₹4.1 lakh off on models of XUV700 and Scorpio N. "The current inventory is around 50-55 days, which is considered high. Dealers incur a 2 per cent holding cost if vehicles sit unsold for two months, which forces them to clear stock with deep discounts," said C S Vigneshwar, president of Federation of Automobile Dealers Association (FADA).

However, 2W firms are not under inventory pressure. Bajaj Auto is offering celebration-linked incentives of up to ₹9,111 on its Pulsar motorbike range and ₹5,000 off on Freedom 125. Yamaha is offering a ₹10,000 benefit along with a 10-year warranty on the RayZR 125 Fi Hybrid, while Kawasaki is offering pre-facelift Ninja 300 models with discounts up to ₹84,000.

"Inventory levels in the 2W seg-



Sales update

Wholesale dispatches (in units)

PVs	2025	% change
Jan	399,386	1.60
Feb	377,689	1.90
Mar	381,358	3.60
Apr	348,847	3.90
May	344,656	-0.80
Overall	1,851,936	2.03
2Ws	2025	% change
Jan	1,526,218	2.10
Feb	1,384,605	-9.00
Mar	1,656,939	11.40
Apr	1,458,784	-16.70
May	1,655,927	2.20
Overall	7,682,473	-2.45

Source: Siam

Retail sales (in units)

PVs	2025	% change
Jan	465,920	15.53
Feb	303,398	-10.34
Mar	350,603	6.26
Apr	349,939	1.55
May	302,214	-3.11
Overall	1,772,074	2.54
2Ws	2025	% change
Jan	1,525,862	4.15
Feb	1,353,280	-6.33
Mar	1,508,232	-1.77
Apr	1,686,774	2.25
May	1,652,637	7.31
Overall	7,726,785	0.14

Source: Fada

ment are around one month, which is quite manageable. There is no selling pressure to offer large-scale discounts. Retail demand has been relatively strong, especially from rural markets," said Vigneshwar.

In the PV segment, retail sales between January and May 2025 stood at 1,772,074 units, registering a

2.54 per cent year-on-year growth. Wholesale dispatches to dealers rose 2.03 per cent.

In the 2W segment, retail sales totalled 7,726,785 units. However, wholesale dispatches declined by 2.45 per cent to 7,682,473 units.

2W sales were supported by strong rural sentiment.