

Tractor makers to hike prices this month as input rates bite

Amit Vijay Mohile
Mumbai

Tractor manufacturers are rolling out price hikes through April, led by market leader Mahindra & Mahindra, as rising commodity costs and inflationary pressures push the industry towards coordinated margin protection.

Mahindra & Mahindra said it will increase prices across its domestic tractor range effective April 8, attributing the move to "cost escalations in input commodities", with hikes varying across models and geographies.

COST PRESSURES

Within the group, Swaraj Tractors also announced a similar increase effective April 21, citing the same reason of rising input costs, with price revisions differing by model and geography.

Escorts Kubota, which had earlier announced price hikes for its standard tractor range, has now extended the increase to its Kubota-branded tractors as well, with effect from April 15, with revisions varying across



COMING SOON

M&M, along with group firm Swaraj Tractors, and Escorts Kubota have announced price hikes across their tractor ranges effective between April 8 and April 21

geographies. The inclusion of Kubota, typically positioned at the premium end, signals that cost pressures are no longer limited to entry- and mid-segment tractors, but are now spreading across the value chain.

INDUSTRY TREND

The back-to-back announcements signal the start of a

broader industry-wide pricing cycle, while players such as TAFE and Sonalika are expected to recalibrate prices.

At TAFE, management commentary accompanying its FY26 performance pointed to "inflationary pressures from ongoing geopolitical tensions" impacting input costs, indicating ongoing price realignments across its Massey Ferguson and Eicher tractor portfolio.

"Rising geopolitical developments are beginning to feed into input costs and supply chains, prompting manufacturers to recalibrate pricing to protect margins," said Hemal Thakkar, Senior Director and Senior Practice Leader, Crisil Research, adding that as growth moderates in FY27, maintaining profitability becomes as important as sustaining volumes.

The staggered hikes come even as the tractor industry remains supported by stable rural demand and strong FY26 volumes.

However, analysts expect cost pressures, to persist, making calibrated price increases a key lever for profitability for tractor manufacturers.