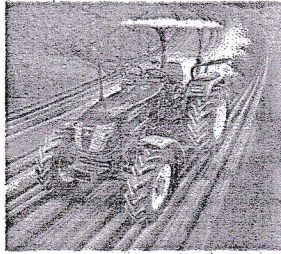


Domestic tractor sales dip in 2024, exports see growth after slump

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Domestic tractor sales saw a slight decline in the calendar year 2024 while tractor exports experienced positive growth after a double-digit drop in the previous year. Total tractor production remained below one million units for the second consecutive year, following two years of surpassing the million-unit mark.

For 2024, total domestic tractor sales reached 9.02 lakh units, compared to 9.15 lakh units in 2023, according to data from the Tractor & Mechanisation Association (TMA). Tractor sales were sluggish in the first five months of 2024 but began to recover. This was driven by favourable monsoon conditions and an increase in min-

imum support prices (MSP), which provided better financial stability for farmers. Sales peaked during festive season.

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Total tractor production in 2024 was slightly lower at 9.82 lakh units, compared to 9.86 lakh units in 2023, 10 lakh units in 2022, and 10.6 lakh units in 2021, which marked the highest ever annual production.

The year 2024 marked a

recovery period for tractor exports. Total shipments of 'Made in India' tractors rose to 97,745 units, up from 96,223 units in 2023. However, exports were still lower than the 1,31,850 units shipped in 2022.

In December 2024, domestic sales showed positive growth, with volumes increasing to 50,993 units from 44,735 units in December 2023. The sentiment remained positive, supported by cash flow from the kharif harvest. Favourable reservoir levels contributed to robust sowing for the rabi season, further boosting tractor demand.

Hemant Sikka, President of the Farm Equipment Sector at Mahindra & Mahindra Ltd, said the tractor industry is poised for growth, driven by positive agricultural sentiment and favourable trade conditions for farmers.