

PVs, 2Ws drive robust auto export growth this year

EVs, low-cost production fuel global ambition as India eyes 50% export target

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India's passenger vehicle (PV) exports during the first 11 months of 2024 grew by 7.79 per cent to 664,648 units while the two-wheeler shipments to overseas countries saw a nearly 22 per cent year-on-year jump to 3,602,151 units, according to data collated by the Society of Indian Automobile Manufacturers (SIAM).

India targets to export 50 per cent of its automobile production. Around 14.6 per cent of the passenger vehicles (PVs) and 16.34 per cent of the two-wheelers manufactured in the country were exported between January and November, the data showed.

Although the country has a long way to go to achieve the 50 per cent target, industry experts feel that over the next four to six years, India's auto exports will continue to grow in double digits.

In January, commerce and industry minister Piyush Goyal said India exports roughly 14 per cent of its vehicles, asserting that the target is to take this number to 50 per cent.

India surpassed Japan last year to become the third-largest automaker in the world.

"As far as exports are concerned in 2024, two-wheelers have stood out amongst all other segments with an expectation that there could be a growth of more than 20 per cent with about 4 million units, as compared with the calendar year 2023, which is primarily driven by demand in Latin America," Rajesh Menon, Director General, SIAM told *Business Standard*.

"Continuing with the growth that was witnessed in 2023, the PV segment is likely to post a single-digit growth in 2024, primarily owing to the initiatives taken by car companies to introduce newer models in export markets," Menon said, adding that this year companies have also commenced shipping vehicles to developed economies like Japan. Honda has been exporting its made-in-India Elevate to Japan



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2024 exports from Jan to Nov

Passenger vehicle	2024	Chg in %
Car	370,182	-3.70
UV	287,101	27.30
Van	7,365	10.60
Total	664,648	7.79
Two-wheeler		
Scooter	530,435	16.34
Motorcycle	3,065,550	22.75
Moped	6,166	120.53
Total	3,602,151	21.85

Note: BMW, Mercedes, JLR, Volvo data not available, and Tata Motors data is available for Jan-Sep only
Source: SIAM

where it is a run-away hit.

India's largest PV exporter Maruti Suzuki India (MSIL), which has cumulatively exported 3 million vehicles, is seeking to increase its exports to 750,000-800,000 units by the end of this decade.

Hisashi Takeuchi, MD and CEO of MSIL told *Business Standard* that 2024 was a "remarkable year" for the firm. "For the first time, despite several challenges, we exceeded 2 million production output in a year, a feat achieved by no other Indian passenger vehicle manufacturer. Our export numbers in CY2024 were equally impressive, with 2.88 lakh cars shipped out of the country between January and November. We achieved a cumulative milestone of 3 million exports. Currently, we sell

17 models in nearly 100 countries. We plan to launch more models in our export markets and increase our export numbers to 7.5-8 lakh by the turn of this decade," he said.

Takeuchi is optimistic about 2025. "We are excited to foray into battery electric vehicles next month with the unveiling of 'e Vitara', a global model manufactured in India for the world," he said.

"While we work to give customers the confidence to adopt BEVs, our philosophy is to leverage all technologies in our decarbonisation journey. We will continue to focus on a multi-pathway approach including BEVs, hybrids, CNG, and carbon-neutral fuels such as ethanol and biogas towards a carbon-neutral society," Takeuchi said. "As we embark on the next phase of our growth

journey from 2 million to 4 million capacity, we plan to achieve in the next 7-8 years what we accomplished in the last 40 years," he added.

Meanwhile, the country's largest two-wheeler exporter Bajaj Auto posted a 12.7 per cent growth in its two-wheeler exports from India during the first 11 months of the year to 1.45 million units.

Rakesh Sharma, ED, Bajaj Auto told *Business Standard* that despite some headwinds in the global markets, the export growth has been decent

in 2024. "There were issues around currency devaluation and other economic crises in our major markets. For 2025, we continue to be cautiously optimistic. One would need to keep a watch out for the regime change in the US and what it means for India at large," Sharma said.

Experts feel electric vehicles are likely to become a major factor in boosting India's auto exports.

Hemal Thakkar, senior practice leader and director, Crisil said the Indian automotive industry has an inherent advantage of low-cost production which is attracting international companies (like Ford) to make this as a manufacturing base.

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