

ERODING MARKET SHARE IN 125CC, MID-CAPACITY BIKES

Rivals challenge Bajaj strongholds

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BAJAJ AUTO'S DOMESTIC motorcycle business has come under sustained pressure in recent years, with the company steadily ceding market share in its core segments as rivals Hero MotoCorp and TVS Motor Company strengthen their positions in the increasingly competitive two-wheeler market.

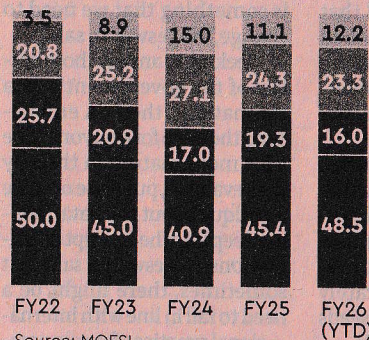
According to a recent report by Motilal Oswal, Bajaj Auto's overall motorcycle market share has declined from 18.5% in FY20 to 16.6% in FY25, slipping further to around 16% on a year-to-date basis in FY26. The erosion has been most pronounced in the 125cc and 150-250cc categories, segments that have historically formed the backbone of Bajaj's domestic volumes and profitability.

In contrast, TVS Motor has steadily gained ground over the same period. Its share of the motorcycle market rose from about 15.5% in FY20 to nearly 19% in FY25, reflecting consistent gains across both premium commuter and mid-capacity motorcycles. Hero MotoCorp, while also seeing some modera-

ROUGH RIDE AHEAD

Lost market share in 125cc

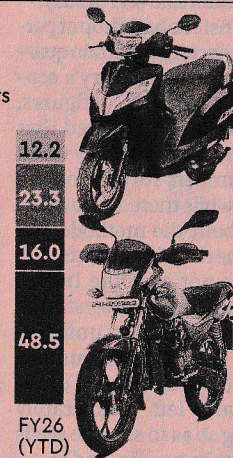
(%) ■ HMSI ■ Hero MotoCorp
■ Bajaj Auto ■ TVS ■ Others



Source: MOFSL

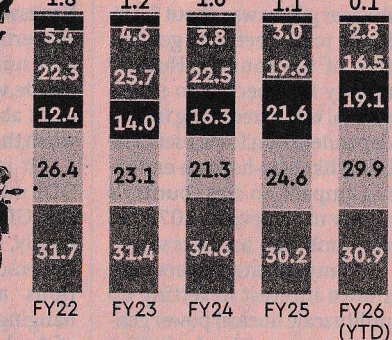
tion, continues to dominate the segment, with its market share easing from around 36% in FY20 to about 32.5% in FY25.

The pressure on Bajaj Auto is particularly visible in the 125cc segment, which has emerged as the fastest-growing category in the motorcycle market. Bajaj's share in this segment peaked at 27% in FY24 but declined to 24.3% in FY25 and further to 23.3% in the year-to-date period of the current fiscal.



Underperformance in 150-250cc

(%) ■ Bajaj Auto ■ TVSL ■ HMSI
■ Yamaha ■ Hero MotoCorp ■ Others



Over the same period, TVS Motor expanded its leadership sharply, with market share rising from 40.9% in FY24 to 45.4% in FY25 and further to about 48.3% in FY26 so far. Hero MotoCorp's share in the 125cc segment stood at 17.0% in FY24, increased to 19.3% in FY25, before moderating to around 16.0% on a year-to-date basis.

The shift is significant because the 125cc category is

increasingly attracting both first-time buyers and upgraders seeking better features, styling and performance without a steep increase in ownership costs.

Rivals, particularly TVS Motor and Hero MotoCorp, have aggressively refreshed their 110-125cc commuter portfolios, rolling out frequent updates, new variants and feature additions to sustain demand and defend volumes.

A similar loss of momentum has been visible in Bajaj Auto's traditional stronghold, the 150-250cc segment led by the Pulsar range. Bajaj's market share in this category has declined from 34.6% in FY24 to about 30.9% on a year-to-date FY26 basis, reflecting intensifying competition from both established brands and newer launches. During the same period, TVS Motor's share climbed from 21.3% in FY24 to 24.6% in FY25 and further to nearly 29.9% in FY26 so far, sharply narrowing the gap with Bajaj. Hero MotoCorp's share in the segment stood at 16.3%, 21.6% and 19.1%, respectively.

TVS Motor has emerged as one of the biggest beneficiaries of this competitive churn. The company has consistently gained share across premium commuter and mid-capacity motorcycles, supported by faster product refresh cycles, feature-rich offerings and stronger execution at the retail level. Its focus on design, technology and variant expansion has enabled TVS to steadily chip away at Bajaj Auto's long-standing dominance in the 150cc-plus space.