

No worry over rare earth magnets for now: Toyota

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Toyota Kirloskar Motor (TKM) believes that the rare earth magnet shortage issue will be resolved soon as it was “heartening” to see the entire Indian automotive industry and the central government working collaboratively on this matter, its Country Head Vikram Gulati told *Business Standard* in an interview on Wednesday. “As of now, we have no concerns per se, but it is something that we are monitoring. Of course, this is a pan industry issue,” he said.

When asked if the rare earth magnet shortage has had any effect on TKM’s production plans, he replied, “No, I’m not saying that. I’m saying



TKM Country Head Vikram Gulati said the rare earth magnet crunch issue would get resolved soon

that as of now, I think the entire industry is okay, but everybody is basically hoping that this will get sorted out soon.”

India’s automobile industry is currently facing a rare earth magnet

shortage after China, which accounts for 80 per cent of India’s magnet imports, imposed stricter export controls in April 2025. These rules require detailed end-use declarations and have led to an almost complete halt in shipments as of mid-June.

Gulati, who also holds the position of executive vice president at TKM, said, “The rare earth issue as well as the magnet issue is something that is applicable to the entire world, and India is no different. The entire industry, even beyond the automotive, is impacted. It is heartening to note that the entire industry, as well as the government is working collaboratively to try and sort this out. And we are hopeful that it will get sorted out sooner than later.

On the ongoing conflicts in the West Asia and whether they’ve impacted Toyota’s vehicle exports from India to the Gulf and African countries, Gulati said, “I think this is again a fast-evolving situation. And we, and everyone else, is just looking at it in terms of how it’s unfolding. So, it’s a bit too early to comment on that. Perhaps, in a few days, things will become clearer.”

TKM on Wednesday signed a memorandum of understanding (MoU) with US-based Ohmium to jointly develop and test the feasibility of hydrogen-powered microgrid systems in India.

The MoU was signed in the presence of Minister of Road Transport and Highways Nitin Gadkari.