

3-wheeler market may keep chugging in FY26 with 6-8% sales growth

To wrap up FY25 with 5–8% volume growth

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The Indian three-wheeler (3W) market is projected to maintain a growth trajectory in 2025-26 (FY26), with industry experts forecasting a 6-8 per cent growth over the 5-8 percent likely to be recorded in FY25, driven by strong demand for passenger carriers and electric carts (e-carts).

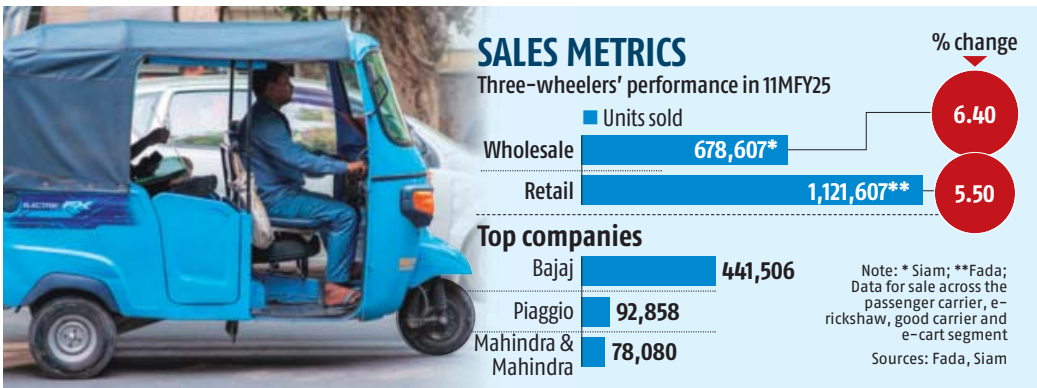
Domestic wholesale sales of 3Ws have shown robust growth, increasing by 6.4 per cent in the first 11 months of the financial year, according to data released by the Society of Indian Automobile Manufacturers (Siam).

Retail sales, reported by the Federation of Automobile Dealers

Associations (Fada), also reflected positive momentum, climbing 5.5 per cent during the same period.

Fada estimates that the three-wheeler industry will grow by 5-6 per cent in FY25, followed by similar growth in FY26.

Speaking on the 3W market, CS Vigneshwar, president of Fada, said, “The entire automotive industry is facing some challenges, with sales not meeting industry expectations. However, we expect growth in the 3W segment, driven by electrification. A sizeable portion of 3Ws are electric vehicles (EVs), and demand for them continues to rise. The increasing need for last-mile mobility has further lifted growth in this segment.”



The growth is primarily attributed to the robust demand for passenger carriers, which saw a 9.3 per cent rise, reaching 551,880 units, and e-carts, which posted 9.3 per cent growth, reaching 3,762 units. While the overall sector

experienced healthy expansion, the electric rickshaw (e-rickshaw) segment faced a downturn, plummeting 41.2 per cent to 17,399 units compared to 29,595 units in the same period last year.

Commenting on the trend,

Anurag Singh, advisor at Primus Partners, observed: “Electrification is driving the growth of 3Ws, with almost 40 per cent of new 3Ws being EVs. While there is a shift happening from 3Ws to mini trucks like the

Tata Ace, I expect another strong year with over 6 per cent growth in FY26.”

Industry experts remain optimistic about the sector’s future. Mythri Macherla, vice-president and sector head, corporate ratings at Icra, highlighted the steady growth trajectory. “We expect the sector to maintain its momentum, with an expected growth of 6-8 per cent in FY26.”

In the 11 months from April to February, 3W sales reached 678,607 units in wholesale, while retail sales stood at 1,121,607, growing 6.4 per cent and 5.5 per cent, respectively. This growth highlights sustained demand in the segment despite fluctuations in sub-categories. It is in line with exports, which grew by 0.8 per

cent during the same period.

For the first 11 months of FY25 (April-February), Bajaj Auto led the 3W segment with 441,506 units sold across the passenger carrier, e-rickshaw, goods carrier, and e-cart segments. Following Bajaj, Piaggio Vehicles recorded sales of 92,858 units, while Mahindra & Mahindra accounted for 78,080 units, according to Siam data.

The consistent demand for last-mile delivery vehicles continues to support market expansion. However, certain sub-segments may require policy support or market interventions to regain momentum. Overall, the 3W market remains a crucial segment in India’s transportation ecosystem, catering to urban and rural mobility needs.