The mobility landscape we operate in

Globally, mobility markets are being reshaped by the convergence of electrification, premiumisation, digital connectivity, and the rising demand for efficient last-mile transport. In India, these shifts are accelerating across two-wheelers, EVs, and commercial segments, creating one of the world's most dynamic mobility environments. For us, this context matters not only because India remains our largest opportunity, but also because many of the trends shaping it increasingly resonate across the wider markets in which we operate.

$38.68 Bn

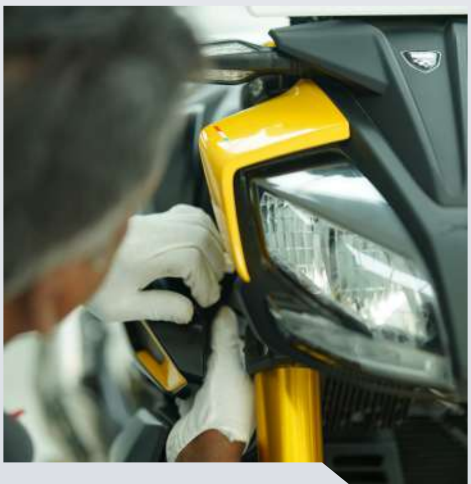
Projected market for India's two-wheeler industry by 2031

Two-wheelers remain at the heart of India's mobility story

In India, the two-wheeler is more than a product; it is the primary engine of socio-economic mobility, uniquely capable of navigating the country's dense urban areas and underserved rural last miles. Its enduring centrality is rooted in its role as the most efficient, affordable, and versatile solution for personal and commercial transit across India's complex terrain.

The two-wheeler market in India remained structurally strong in FY 2025-26, with wholesale volumes rising 10.7% to 21.7 million units, surpassing the previous peak achieved in FY 2018-19 driven by strong policy backing for electrification, a recovery in export demand, and widening digital retail channels. This trajectory is reinforced by the expansion of logistics fleets and the scaling of electric vehicle ecosystems through improved battery-swapping economics.

Sources: SIAM, FADA, Mordor Intelligence



~8%

Projected Y-o-Y growth of two-wheeler industry volumes in FY 2026-27

Affordability & replacement demand are supporting growth

Demand conditions in FY 2025-26 were supported by a favourable operating environment and proactive policy interventions. A critical growth driver was the implementation of GST 2.0 reforms, which improved vehicle affordability and stimulated significant retail momentum. This was supported by healthier rural incomes and recovering urban demand as important growth drivers. This development was further reinforced by a strengthening replacement cycle, as consumers who deferred purchases in previous years returned to the market. Looking ahead, CRISIL Ratings projects the industry to maintain this momentum into FY 2026-27, with total volumes expected to reach 29 million units — a 7-9% year-on-year growth.

Sources: TVS Motor, ICRA Industry Report April 2026

1.83 Mn units

Volume of premium motorcycles in FY 2025-26

Demand is becoming more segmented and globally aligned

The industry's growth is no longer being driven by one homogeneous demand pool. In FY 2025-26, this was validated by strong growth across both formats: scooter volumes rose by 18.5% Y-o-Y to reach 8.11 million units, while motorcycle volumes grew by 6.6% to cross 13.5 million units. This dual momentum reflects a market where scooters are increasingly chosen for urban versatility and multi-user convenience, while motorcycles are shifting rapidly toward premiumisation, with the 250cc+ performance segment recording the highest growth rates within the category. This points to a market in which convenience, design, technology, lifestyle relevance and differentiated use-cases are playing a bigger role in purchase decisions. For manufacturers, success is now driven by the agility to address these sharply segmented, experience-driven mobility needs across a diverse portfolio.

Sources: SIAM, FADA

1.46 Mn units

Volume of e-two-wheelers in FY 2025-26

Electrification is deepening with more nuanced economics

India's EV market reached a new high in FY 2025-26, with total retail sales of 2.27 million units and EV penetration rising to 8.07% of overall vehicle sales. Electric two-wheelers remained the largest EV segment at 1.46 million units, up 27% Y-o-Y, though growth moderated compared to the previous year as the category scaled on a higher base. The segment also saw the impact of a reduced tax differential between ICE and EV products after GST changes, while temporary rare-earth magnet shortages exposed supply-side vulnerabilities. Even so, electric mobility continues to expand, particularly in two- and three-wheelers, with economics, product relevance, service readiness and execution increasingly shaping competitive advantage.

Sources: VAHAN

50%

Surge in three-wheeler exports from India in FY 2025-26

Commercial mobility is gaining sharper relevance

The retail industry posted a strong growth of 17%, from 0.67 million units to 0.78 million units in FY 2025-26. The wholesale industry grew by 11% during FY 2025-26, with volumes rising from 0.71 million units to 0.79 million units.

The small-passenger segment (ICE + EV) grew by 7% in FY 2025-26 (from 0.42 million units in FY 2024-25 to 0.45 million units in FY 2025-26), while its contribution to the overall three-wheeler industry decreased from 58% to 56%.

The global three-wheeler industry grew by 52.5% in FY 2025-26, with 0.16 million units exported from India, registering a growth of 50% over last year. However, the growth was higher in H2 at 75%.