

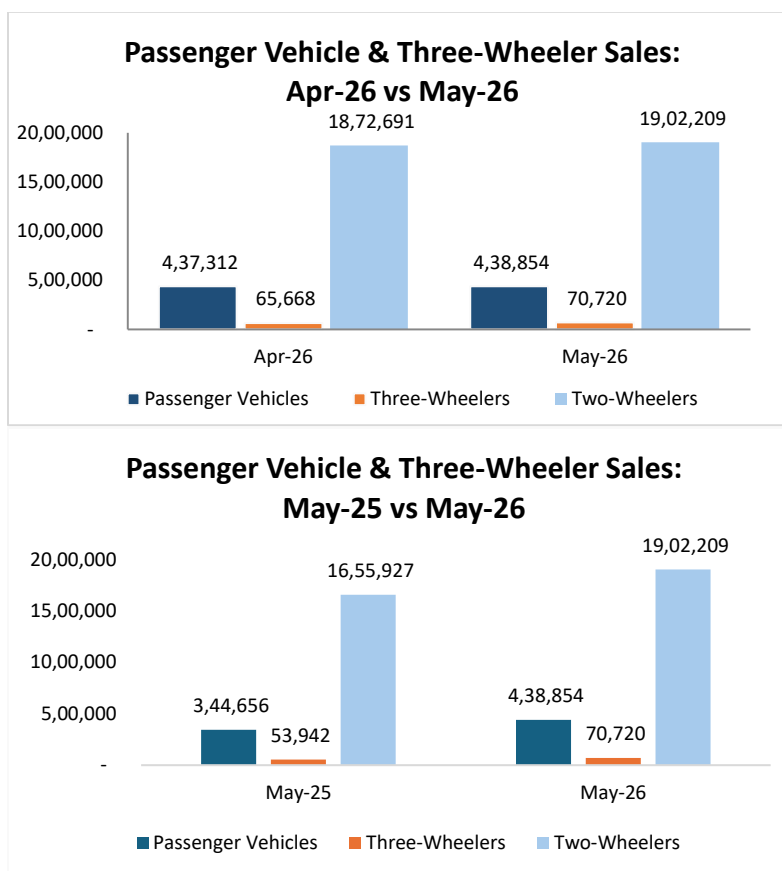
Analysis of India's Auto Industry Performance: May 2025 vs April 2026 vs May 2026

Domestic Sales Comparison: May 2025, April 2026 and May 2026

India's automobile industry recorded its highest-ever May sales across Passenger Vehicles, Three-Wheelers, and Two-Wheelers in May 2026, with double-digit growth registered in each segment. Passenger Vehicle sales rose 27.3% to 4.38 lakh units in May 2026, compared to 3.45 lakh units in May 2025. Three-Wheeler sales grew 31.1% to 0.71 lakh units, up from 0.54 lakh units a year earlier, while Two-Wheeler sales increased 14.8% to 19.02 lakh units, compared to 16.6 lakh units in May 2025.

Total production of Passenger Vehicles, Three-Wheelers, Two-Wheelers, and Quadricycles stood at 29.28 lakh units in May 2026, reflecting sustained strength in manufacturing activity across the sector. The growth momentum was supported by a favourable base effect, the continuing impact of reduced GST rates on vehicles, and easier financing conditions extended to consumers.

Within the Two-Wheeler segment, scooter sales recorded the sharpest growth, rising 27.4% to 7.39 lakh units, while motorcycle sales grew 7.2% to 11.14 lakh units. On the export front, the recovery was broad-based, with scooter exports up 34.7% and motorcycle exports up 31% during the month, signalling to growing global acceptance of India-made two-wheelers.



(Source: SIAM)

Table 1: India's Domestic Auto Sales - May-25, Apr-26 and May-26 (Units)

Particulars	May-25	May-26	YoY Growth (May)
Passenger Vehicles	3,44,656	4,38,854	27.3%
Three-Wheelers	53,942	70,720	31.1%
Two-Wheelers	16,55,927	19,02,209	14.8%
Total Production (PV+3W+2W+Quad.)	25,82,207	29,27,711	13.4%

(Source: SIAM) n.a.: Base-month motorcycle/scooter splits not separately published by SIAM for the months shown; May-26 figures and YoY growth as reported by SIAM/industry data.

(Source: SIAM)

ASSOCHAM Perspective

The sustained, broad-based momentum across Passenger Vehicles, Two-Wheelers, and Three-Wheelers emphasises the resilience of India's domestic consumption engine and the effectiveness of recent fiscal interventions, including the GST rationalisation, in improving vehicle affordability. ASSOCHAM believes this consumption-led recovery, if sustained, will have positive multiplier effects on ancillary industries, component manufacturing, and rural and semi-urban employment, while reinforcing the case for continued policy support to the automobile sector's manufacturing and export ecosystem under the Government's broader Make in India and Atmanirbhar Bharat objectives.

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