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GST cut, festival demand fuel 2W sales boom in Oct

Article Content:

The two-wheeler market has roared back with the rollout of goods and services tax (GST) 2.0, with registrations in October soaring to 1.85 million units, so far [2]the highest monthly tally of the ongoing calendar year. The market, based on Vahan data, is on track to record one of the strongest monthly sales in recent years. This surge reflects a combined impact of GST rate rationalisation and the buoyant festival season, reinvigorating consumer sentiment across both urban and rural India. Vahan data shows monthly two-wheeler registrations jumping 43 per cent (as on October 23) from 1.29 million units in September. The spike also reflects a robust recovery in retail volumes after a relatively subdued July-September quarter. Historically, the strongest monthly two-wheeler sales came in November 2024, when registrations soared to 2.6 million units, driven by festival demand and market momentum. Other standout months include November 2023 at 2.25 million units, November 2022 with 1.85 million, and November 2021 registering sales of 1.6 million two-wheelers. Two-wheeler sales, according to Vahan data, have been largely recovering through 2025: January saw 1.53 million units, February 1.35 million, and

March 1.51 million. Registrations climbed to 1.69 million in April and 1.65 million in May before dipping to 1.45 million in June and 1.35 million in July. Momentum steadied at 1.37 million in August, followed by a slight September lull. October's surge to 1.85 million units, however, eclipsed all previous months. Among the major manufacturers, Hero MotoCorp dominated with 5,44,856 units registered in October, closely trailed by Honda Motorcycle and Scooter India at 4,97,498 units. TVS Motor Company posted 3,33,574 registrations, while Bajaj Auto accounted for 2,13,123 units. Suzuki Motorcycle India saw 96,509 units, Royal Enfield 94,293, and India Yamaha Motor 59,515 units. These numbers underscore a broad-based recovery across brands and segments. Industry experts attribute this rebound to GST 2.0, which on September 22 rationalised tax rates for entry-level and commuter two wheelers, thus enhancing affordability and driving replacement demand. The early indications of GST reduction are quite positive for the two-wheeler market. Near-term demand is solid in terms of sales, bookings, and inquiries, and even the mid-term outlook appears strong across both rural and urban segments, 'said Anurag Singh, advisor at Primus Partners. However, it will be important to observe how the trend sustains in the longer term. 'Experts also point to the festival season, improved rural liquidity, and positive macroeconomic sentiment as accelerators of retail momentum. Dealerships report higher footfall and stronger booking conversions compared with the previous quarter.