

**Quote by Nikhil Dhaka, Vice President, Primus Partners**

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## **Two-wheeler segment moves towards pre-Covid high, robust show expected in FY26**

***The electric models contributed over 6% to the two-wheeler wholesales in FY25, according to SIAM data.***



*The two-wheeler space will witness several new introductions from established OEMs as well as startups in FY26. Image - Reuters*

**Read on:** <https://www.indiatoday.in/amp/auto/bikes/story/two-wheeler-segment-moves-towards-pre-covid-high-robust-show-expected-in-fy26-2714004-2025-04-24>

After a strong performance in FY25 on the back of recovery in rural demand, rising consumer confidence and relatively easier access to financing, the domestic two-wheeler segment is expected to fare even better in FY26, moving closer towards the pre-Covid high of FY19.

According to data from the industry body Society of Indian Automobile Manufacturers (SIAM), two-wheeler volumes in the domestic market grew 9.1% year-on-year (y-o-y) to 1,96,07,332 units in FY25. While motorcycles pushed the wholesales forward, scooters registered a handsome growth.

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Besides, the electric models contributed over 6% to the two-wheeler wholesales in FY25.

"Improved rural demand and resurgence in consumer confidence is helping the segment to recover. Growth is led by scooter segment due to improved rural and semi-urban connectivity and availability of newer models with enhanced features," SIAM said.

### Domestic two-wheeler volumes: FY25 vs FY24

Category	FY25	FY24	Growth
Scooters	68,53,214 units	58,39,325 units	17.4%
Motorcycles	1,22,52,305 units	1,16,53,237 units	5.1%
Mopeds	5,01,813 units	4,81,803 units	4.2%
Total	1,96,07,332 units	1,79,74,365 units	9.1%

Source - SIAM

The two-wheeler segment clocked record domestic wholesales of 2,11,79,847 units in FY19

### Domestic two-wheeler volumes: Since FY19

Year	Sales
FY25	1,96,07,332 units
FY24	1,79,74,365 units
FY23	1,58,62,771 units
FY22	1,35,70,008 units
FY21	1,51,20,783 units
FY20	1,74,17,616 units
FY19	2,11,79,847 units

Source - SIAM

"We expect FY26 to build on the momentum of FY25. New and emerging categories may see double-digit growth, but the entire two-wheeler segment may see similar growth. It may vary based on a few important factors. Latest tax reforms are likely to increase disposable incomes in urban areas, stimulating demand for premium two-wheelers in the middle class of India. The IMD forecast of an above normal monsoon will likely have a positive impact on the rural economy, and hence two-wheeler sales," Rajat Mahajan, Partner and Automotive Sector Leader, Deloitte India, told India Today.

Primus Partners Vice President Nikhil Dhaka observed that the two-wheeler segment might grow in the range of 6-10%, in line with broader industry forecasts. "Some original equipment manufacturers (OEMs) are aiming to cross the pre-Covid peak of FY19,

banking on continued rural demand, a strong festive and wedding season, and macroeconomic stability. The electric two-wheeler space is likely to gain further ground, supported by government incentives and improving charging infrastructure," he added.

With established OEMs entering the electric and CNG spaces, more products are expected from them in FY26. The deliveries of Honda's electric scooters, Activa e: and QC1, have started. Suzuki will soon launch its maiden electric scooter, the e-Access, in India. More electric models are expected from Hero, TVS and Bajaj as well.

Even startups like Ola, Ather and Ultraviolette will bolster their portfolio with new electric motorcycle and electric scooter models.

"The electric two-wheeler space is likely to gain further ground, supported by government incentives and improving charging infrastructure. A pipeline of new product launches spanning various price points, will help sustain consumer interest," Dhaka said.

Although the two-wheeler segment is expected to be in green in FY26, certain challenges need to be factored in, as per the experts. Among them are high fuel prices and even supply chain disruptions due to geopolitical factors.

"We will need to keep a tab on factors which can hurt growth in the short term like regulatory changes, consumer sentiments or supply chain disruptions," Mahajan said.

Dhaka opined that the urban demand continues to face pressure from high fuel prices, and a shift towards premium and electric models may slow volume growth in the mass market.