

Festival cheer, tax cuts fuelled strong CV recovery in Oct

In top gear

WHOLESALE

	2024	2025	Y-o-Y chg (in %)
Mahindra	37,654	44,503	18
Tata Motors	32,708	35,108	7
Ashok Leyland	14,067	16,314	16
Maruti	3,539	4,357	23

Source: Companies

Vehicle sales in October



RETAIL

Mahindra	27,732	37,188	34.1
Tata Motors	30,638	34,838	13.7
Ashok Leyland	15,904	16,557	4.1
Maruti	5,253	6,058	15.3

CV RETAIL DURING FESTIVAL PERIOD*

Overall	1,21,350	1,39,586	15.03
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*The festival period is the 42-day period between Dussehra-Diwali

Source: FADA

ANJALI SINGH

Mumbai, 10 November

India’s commercial vehicle (CV) market saw a strong festive recovery in October, with retail sales rising 17.7 per cent year-on-year (Y-o-Y) to 1,07,841 units, according to the Federation of Automobile Dealers Associations (Fada).

It was the strongest post-pandemic retail performance in over two years, driven by goods and services (GST) rate cuts, replacement demand, and a revival in freight and infrastructure activity.

The overall commercial vehicle retail sales during the 42-day festive period between Dussehra and Diwali in 2025 rose 15 per cent year-on-year to 1,39,586 units as per Fada data.

The light commercial vehicle (LCV) segment led the upturn after several subdued quarters, supported by festive buying, improved freight availability, a pickup in rural logistics, and higher e-commerce movement. Medium and heavy commercial vehicles (M&HCVs) and buses also gained traction on the back of ongoing infrastructure projects, fleet replacement, and rising interstate passenger movement.

On the electrification front, electric vehicle (EV) registrations crossed the 200,000 mark for the first time, driven by strong adoption of electric three-wheelers and small commercial EVs — marking a record month for the broader EV segment. Retail growth outpaced factory dispatches for most manu-

facturers, signalling genuine end-user demand rather than inventory push.

In the month of October, Mahindra & Mahindra topped wholesale volumes with 44,503 units, up 18 per cent Y-o-Y, followed by Tata Motors at 35,108 units (up 7 per cent), Ashok Leyland at 16,314 units (up 16 per cent), and Maruti Suzuki’s Super Carry LCV at 4,357 units (up 23 per cent).

“The GST rate rationalisation, which reduced the tax rate on ICE (internal combustion engine) commercial vehicles from 28 per cent to 18 per cent, is likely the key reason for the substantial Y-o-Y growth in domestic CV retail sales volumes in October 2025,” said Kinjal Shah, senior vice-president & co-group head, corporate ratings, Icra. She added that while infrastructure activity, freight movement, and rural recovery continue to support long-term growth, the tax cut has had a direct, immediate impact on buyer sentiment, particularly among small fleet operators and owner-drivers in the LCV segment.

Among segments, LCVs posted the highest Y-o-Y growth at 30 per cent, aided by lower prices and improved financing. MCVs grew around 20 per cent, while HCV retail volumes declined 6 per cent, indicating a mild slowdown in large fleet replacement.

“The LCV segment is highly price-sensitive, dominated by small fleet owners for whom affordability plays a critical role,” Shah said.