

# Tractor sales hit 11 lakh units in 2025

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**Chennai:** The Indian tractor industry closed 2025 on a high note, with annual domestic volumes crossing the one-million-unit mark for the first time in its history. Exports also rebounded strongly, crossing the one-lakh-unit milestone after a two-year gap.

Total domestic tractor sales touched 10.9 lakh units in 2025, compared with 9.1 lakh units in 2024, posting strong double-digit growth of 20%, according to data from the Tractor & Mechanisation Association (TMA).

In 2025, domestic tractor volumes reached record levels as higher farm incomes and improved farmer confidence boosted demand. Good monsoons, better crop outcomes, lower GST, and easier access to finance impro-

## BUMPER HARVEST

Year	Total Production	Domestic sales
2025	11.5	10.9
2024	9.82	9.1
2023	9.86	9.15
2022	10.05	9.12
2021	10.05	9.04
2020	8.18	8.03
2019	7.83	7.23

Source: TMA

ved affordability and accelerated buying decisions, while a healthy mix of replacement and first-time demand kept sales strong across regions and horsepower segments, said Narinder Mittal, President & Managing Director, CNH India.

The reduction of GST rate to 5%, effective Oct, led to a decline in tractor prices, with savings ranging from

about Rs 40,000 to Rs 1,00,000 across different horsepower segments, making new tractors more affordable, it added.

“Our farm equipment business achieved its highest-ever quarterly market share, proving that innovation on the ground transforms lives,” said Anand Mahindra, chairman of the Mahindra Group, in his New Ye-

ar note.

In Dec 2025, domestic tractor sales stood at 69,890 units, compared with 50,993 units in Dec 2024 and 92,742 units in Nov 2025.

Exports rose to 1.05 lakh units in 2025 from 97,745 units in 2024, marking a recovery after a subdued phase.

With strong domestic growth and improved exports, total tractor production also hit a historic high of 11.5 lakh units in 2025, compared with 9.82 lakh units in 2024.

Looking ahead, the transition to stricter TREM V emission norms from April 1, 2026 is expected to shape near-term demand. ICRA anticipates pre-buying by customers and dealers ahead of the implementation, which could provide a temporary boost to tractor sales volumes over the next few quarters.