



# INDIAN TWO-WHEELER INDUSTRY

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Industry volumes moderate in June

JULY 2025





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*Wholesale volumes moderated by 4.3% in June 2025; retail volumes grew by 5.1% on YoY basis.*

*ICRA estimates 2W domestic volumes to register a growth of 6-9% YoY in FY2026.*



**Wholesale volumes moderate on a sequential and YoY basis** – In June 2025, domestic wholesale volumes moderated by 4.3% on a YoY basis to 1.5 million units; the volumes also represented a moderation of 4.8% on a sequential basis.



**Retail volumes grow on a YoY basis** – Retail volumes in June 2025 represented a YoY growth of 5.1%, with offtake remaining supported by healthy semi-urban/rural demand. The volumes moderated on a sequential basis, as is expected during the onset of the monsoons.



**Electric two-wheelers (e2W) grow at a modest pace** – e2W volumes grew to 105,282 units in June, a modest 5% growth on a sequential basis. e2w penetration in the 2W segment remains in the range of 6-7% on a monthly basis.



**Export volumes continue to grow at a healthy pace** – Monthly export volumes reported a healthy growth of around 34% YoY. Despite the industry reporting a robust growth on a relatively curtailed base, the volumes continue to be constrained by shortage of forex and inflationary pressures in some markets (such as Nigeria) to an extent.



**ICRA estimates two-wheeler (2W) volumes to grow by 6-9% YoY in FY2026** – ICRA forecasts a 6-9% wholesale volume growth for the industry in FY2026, aided by steady replacement demand, expected recovery in urban demand and healthy rural incomes (driven by expectations of a normal monsoon).



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