

Hyundai Motor India Navigates Q1 with Export Strength and SUV Focus



Hyundai Motor India Limited (HMIL) reported an 8.08% year-on-year decline in its consolidated net profit for the first quarter of fiscal year 2025-26, settling at ₹1,369.23 crore. Despite the profit dip and a 5.5% fall in revenue to ₹16,179.61 crore, the company's robust export performance and strategic focus on its Sports Utility Vehicle (SUV) portfolio helped cushion the overall impact of a challenging domestic market.

The auto manufacturer's financial results for the quarter ending June 30, 2025, revealed that while total income was down, factors such as a favorable export mix and disciplined cost control measures helped sustain a healthy EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) margin of 13.3%. This indicates effective operational management despite broader economic headwinds.

A significant driver of resilience for Hyundai during this period was its accelerated export growth. Export volumes surged by 13% year-on-year, providing a crucial offset to the subdued domestic market, which has been under pressure due to ongoing macroeconomic challenges. This strategic diversification of sales channels proved vital in maintaining overall volume and revenue stability.

Within the domestic market, Hyundai's SUV lineup continued to be a strong performer. The Hyundai Creta maintained its leadership position in the SUV category, a segment that has seen increasing demand across both urban and rural areas. This focus on a richer product mix, particularly the higher contribution of SUVs, contributed to a 1% year-on-year improvement in

the average selling price (ASP), partially mitigating the impact of lower overall sales volumes. The company noted that the "Brand i10," encompassing various models, also achieved a major milestone, surpassing 3 million cumulative sales across domestic and export markets.

Unsoo Kim, Managing Director of Hyundai Motor India, commented on the results, stating, "We continued our stated strategy of 'Quality of Growth' in the first quarter of FY 2026 with a balance between domestic & exports, market share, and profitability. This strategy helped us to sustain a strong EBITDA margin of 13.3 percent during the quarter, despite a tough macroeconomic environment."

Furthermore, Hyundai reported an enhanced Compressed Natural Gas (CNG) share of 15.6%, supported by the introduction of new dual-cylinder technology and fresh CNG variants, aligning with evolving consumer preferences for alternative fuel options. The company also expanded its reach into rural markets, with contributions rising to 22.6% during the quarter, reflecting a strategic move to tap into previously underserved regions. On the operational front, Hyundai commenced engine production at its new Pune manufacturing facility, signaling an expansion of its local manufacturing capabilities.

Looking ahead, Hyundai anticipates a gradual recovery in domestic demand, driven by the upcoming monsoon season and festive period, alongside government policy measures. The company remains confident in maintaining positive momentum on the export front, aligning with its growth commitments. This strategic emphasis on a balanced approach between domestic and international markets, coupled with a robust product portfolio, will be key to Hyundai's performance in the coming quarters.