Truck rentals remain steady for now amid fuel price hikes: Shriram Mobility bulletin

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India's mobility and logistics sector witnessed a turbulent yet structurally resilient May 2026.

Truck rentals remained wobbly during the month, weighed down by multiple price increases coupled with demand slackness, which prevented fleet operators from passing on the full impact of rising fuel prices, according to the Shriram Mobility Bulletin.

STEADY TRANSIT. Truck rental rates across major trunk routes remained broadly stable to marginally positive on monthly basis

MARGINAL UPTICK

Truck rental rates across major trunk routes remained broadly stable to marginally positive on a month-on-month basis, with the Bengaluru–Mumbai–Bengaluru route recording a 2.1 per cent month-on-month uptick.

Most other routes held steady or unchanged.

"Chakka Jam disruptions in NCR and repeated fuel price hikes created significant strain, but weak demand limited the ability to pass on costs fully. While OEMs welcome the government's support for replacing older BS-IV vehicles with cleaner alternatives in Delhi-NCR, fleet operators remain uncertain about the continued usage of BS-IV trucks that still meet pollution norms post November 1," said Sudarshan Holla, Joint Managing Director and Chief Operating Officer-Commercial Vehicles, Shriram Finance.

FUEL CONSUMPTION

Automotive fuel consumption showed seasonal strength with petrol consumption rising 6 per cent month-on-month, driven largely by vacation travellers during the peak summer season; diesel consumption grew by 5 per cent, the bulletin said.

EV SURGE

Electric vehicle (EV) sales continued to accelerate with cars leading the charge with a 157 per cent year-on-year growth in retail sales during May 2026. Electric three-wheelers climbed 87 per cent y-o-y, while electric two-wheelers surged 78 per cent y-o-y.

The traditional automotive sector maintained a broadly positive trajectory on a y-o-y basis. Retail sales of goods carriers rose 10 per cent, passenger motor cars 24 per cent, three-wheeler goods carriers 25 per cent and two-wheelers 7 per cent.

Agricultural tractors posted healthy growth of 13 per cent y-o-y, supported by the onset of the kharif sowing season, the bulletin said.