

Auto retail sales record best Feb ever

SHINE JACOB

Chennai, 5 March

India's auto retail sector posted its best-ever February sales, as the momentum after the GST 2.0 announcement continued. Total vehicle sales touched 2.41 million units, marking 26 per cent growth year-on-year (Y-o-Y), according to Federation of Automobile Dealers Associations (Fada) data released on Thursday.

This beats the previous February sales record of 2.04 million units in 2024. Despite being a shorter month, February saw five out of six categories — two-wheelers, three-wheelers, passenger vehicles (PV), commercial vehicles (CV) and tractors — registering their highest-ever February retail volumes.

Reflecting healthy demand across both personal mobility as well as economic activity-driven segments, two-wheelers grew by 25 per cent, three-wheelers by 24 per cent, PV by 26 per cent, and CV by 29 per cent. The only segment which did not set a fresh February record was construction equipment, which saw a marginal decline of 1.22 per cent Y-o-Y.

“Overall, the strong performance during the month indicates that the policy-led confidence in the market, particularly following GST 2.0, is now translating into sustained demand across multiple vehicle segments,”



Reving up All India vehicle retail data for Feb'26

| Category | Feb '26 | Jan '26 | Feb '25 | M-o-M (%) | Y-o-Y (%) |
|-------------------------|------------------|------------------|------------------|---------------|--------------|
| Two wheelers | 1,700,505 | 1,852,870 | 1,360,155 | -8.22 | 25.02 |
| Three wheelers | 117,130 | 127,134 | 94,162 | -7.87 | 24.39 |
| Passenger vehicles | 394,768 | 513,475 | 313,015 | -23.12 | 26.12 |
| Tractors | 89,418 | 114,759 | 65,579 | -22.08 | 36.35 |
| Construction equipments | 6,721 | 6,834 | 6,804 | -1.65 | -1.22 |
| Commercial vehicles | 100,820 | 107,486 | 78,219 | -6.20 | 28.89 |
| Total | 2,409,362 | 2,722,558 | 1,917,934 | -11.50 | 25.62 |

Source: Fada Research

said C S Vigneshwar, president, Fada.

Passenger vehicle retails in February stood at 394,768 units. The momentum remained broad-based, with urban markets growing 21 per cent Y-o-Y, while rural markets surged 34 per cent, indicating strong continued demand beyond metros.

While market leader Maruti Suzuki saw a 28 per cent rise in sales during the month to 154,095 units, Tata Motors followed, logging 43 per cent Y-o-Y sales growth at 56,447 units.

Mahindra & Mahindra posted a 25 per cent rise in sales to 53,281 units, and Hyundai Motor was seen in the fourth spot, reporting sales of 45,615 units, up 16 per cent from the same period last year.

“The sharper rural growth is particularly encouraging as it is supporting the sale of small cars, even as SUVs and utility vehicles continue to

drive overall volumes. Improved affordability following GST rationalisation, the marriage season and healthy booking pipelines supported by new model introductions also aided demand during the month. Encouragingly, PV inventory levels have further reduced by about five days and now stand at 27-29 days, which is an extremely healthy sign,” Vigneshwar added. Fada has recommended that OEMs bring the inventory level down to 21 days.

Two-wheeler retails continued their strong momentum in February, reaching 1.7 million units. Growth remained broad-based, with urban markets rising 29 per cent Y-o-Y and rural markets growing 22 per cent, reflecting steady demand across commuters as well as rural segments.

Dealers attributed this performance to improved rural liquidity following good crop outcomes,

attractive marketing schemes and better affordability post GST revisions, while the marriage season and new product introductions also supported enquiries.

However, in some regions, supply constraints in select models and board examinations slightly tempered the otherwise strong momentum.

Commercial vehicle retails stood at 100,820 units during the month. Dealers across regions reported improved freight availability, steady e-commerce activity and infra-linked demand supporting fleet additions. “The positive sentiment following GST 2.0 also helped improve secondary demand and bulk purchases. However, some pockets saw supply constraints for certain models, though the overall pipeline of bookings and market movement remained encouraging,” he said.