

Domestic, global factors to impact auto dealers: FADA

SALES METRICS. PV sales grow 5% to 41,53,432 units in FY25; two-wheelers up 8%

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As FY26 begins, auto dealers are bracing for an uncertain month shaped by domestic and global factors, the Federation of Automobile Dealers Associations (FADA) said. The federation added that the India Meteorological Department's warning of intense heatwaves looms over consumer footfalls and infrastructure, while renewed tariff tensions rattle buyer sentiment.

"Adding to the uncertainty is the looming spectre of a global tariff war, which could spark stock market turbulence and erode returns on mutual fund SIPs. If investors see their disposable incomes shrink in tandem with market volatility, discretionary spending — like auto purchases — may well suffer. Within the passenger vehicle (PV) segment, new launches and strategic marketing can offer a lift, but widespread concerns remain..." CS Vigneshwar, President, FADA, said.

"...Nearly half of surveyed dealers expect April sales to be flat and over a third foresee some growth driven partly by regional festivals and the marriage season. About 60 per cent of dealers

Vehicle retail data

Category	FY25	FY24	y-o-y %
Passenger vehicle	41,53,432	39,60,602	4.87
Two-wheeler	1,88,77,812	1,75,27,115	7.71
Three-wheeler	12,20,981	11,67,986	4.54
Commercial vehicle	10,08,623	10,10,324	-0.17
Tractor	8,83,095	8,92,410	-1
Total	2,61,43,943	2,45,58,437	6.46
March 2025 data	Mar 25	Mar 24	y-o-y %
Passenger vehicle	3,50,603	3,29,946	6.26
Two-wheeler	15,08,232	15,35,398	-1.77
Three-wheeler	99,376	1,05,352	-5.67
Commercial vehicle	94,764	92,292	2.68
Tractor	74,013	78,495	-5.71
Total	21,26,988	21,41,483	-0.68

Source: FADA Research

across segments report weak booking pipelines," he said while sharing monthly sales data.

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He noted that two-wheeler dealers anticipate a lift from festive buy-ins and marriage-season demand, but remain wary of rising on-board diagnostics (OBD)-2B costs, weak rural liquidity, and mounting competition from electric vehicles. In the commercial vehicle (CV) segment, Vigneshwar said that the dealers hope to maintain the tempo of a strong March, but heatwave disruptions and global trade anxieties could quickly stall

the momentum. In terms of monthly sales, FADA's latest report stated PV retail sales grew by 6.26 per cent year-on-year (y-o-y) to 3,50,603 units in March as compared with 3,29,946 units last year. However, two-wheeler sales declined by around two per cent y-o-y to 15,08,232 units as compared with 15,35,398 units in March 2024.

Three-wheeler sales also declined by around six per cent y-o-y to 99,376 units as compared with 1,05,352 units a year ago.

Commercial vehicle retail sales grew around 3 per cent y-o-y to 94,764 units as compared with 92,292 units in March 2024. Overall retail

sales across categories marginally declined to 21,26,988 units as against 21,41,483 units in the corresponding month last year.

On annual basis, the PV sales grew by around five per cent y-o-y to 41,53,432 units in FY25 as compared with 39,60,602 units in FY24, the report said.

Two-wheeler sales grew by around 8 per cent y-o-y to 1,88,77,812 units during the year against 1,75,27,115 units in the previous financial year.

FADA said two-wheeler sales in rural markets grew by 8.39 per cent as against 6.77 per cent in urban areas in FY25.

PVs also performed better in rural belts with 7.93 per cent growth, compared to 3.07 per cent in urban markets during the year.

Three-wheeler sales grew by 4.54 per cent y-o-y to 12,20,981 units in FY25 as compared with 11,67,986 units in the April-March period previous year.

CV sales declined to 10,08,623 units during the year as compared with 10,10,324 units in FY24.

In total, retail sales of vehicles across categories grew by 6.46 per cent in FY25 to 2,61,43,943 units as compared with 2,45,58,437 units in FY24.