

Vehicle sales rise 8% in Aug, 2-wheelers cause for concern, says FADA

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India's retail vehicle sales across categories were up 8.31 per cent year-on-year in August, said the Federation of Automobile Dealers Association (FADA) on Thursday as it flagged business "not being encouraging" at the start of festivals.

Two-wheeler sales were up 8.5 per cent and three-wheeler by 8.3 per cent in August. Passenger and commercial vehicle sales increased 6.5 per cent and 24 per cent. Tractor sales declined 32 per cent.

"Auto Retail for the month of August 2022 saw an overall growth of 8 per cent. August opens the door for festival season to kick in. While Dealers anticipated good Ganesh Chaturthi in August, the

results thus far have not been encouraging. In spite of good monsoons, the festive season began with a dampener during Ganapati," said Manish Raj Singhania, FADA's president.

When compared with August 2019 and before the coronavirus, total vehicle retail sales fell by 7.45 per cent. Passenger vehicles grew 41 per cent; commercial vehicles also turned positive by growing 6 per cent with respect to August 2019.

The continuing cause of concern is the two-wheeler segment, which is affected by the rising cost of ownership and prices.

While two-wheeler sales were down by 16 per cent compared to August 2019, they increased 9 per cent on a year-on-year.

