

Car sales skid 14% in Nov on subdued wedding season

Fada data shows two-wheeler, tractor sales buck trend; PV inventory levels reduce

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Passenger vehicle sales saw a sharp 14 per cent year-on-year (Y-o-Y) decline in November, much below the market expectations. This comes as wedding-related sales remained subdued following a blockbuster October — which logged the highest-ever car sales due to the festival season. Around 4.8 million weddings, lined up across India in November and December, were expected to fuel strong demand for two-wheeler and passenger vehicle (PV) segments.

On the other hand, two-wheeler sales saw the highest-ever numbers of 2.6 million, an increase of 16 per cent, but the industry claimed it to be below market expectation.

Tractor sales saw an impressive 29.88 per cent Y-o-Y jump, suggesting good rural demand. Three-wheelers also saw 4.23 per cent growth during the month. In contrast, commercial vehicles (CVs) declined by 6 per cent during the month, said monthly data by the Federation of Automobile Dealers Associations (Fada).

Easing in inventory pile up

Giving a relief to the dealers, inven-

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	Sales	Y-o-Y change in %
Tractor	80,519	30.0
Two-wheeler	2,615,953	16.0
Three-wheeler	108,337	4.2
Commercial vehicle	81,967	-6.0
Passenger vehicle	321,943	-14.0
Total	3,208,719	11.2

* As of November 24

Source: Fada

tory levels in PVs have reduced by about 10 days, but still remain high at around 65-68 days.

Fada has urged OEMs to further rationalise inventory so that the industry can enter the New Year on a healthier footing, reducing the need for additional discounts.

“While November was initially expected to build on its prior momentum, particularly due to the marriage season, dealer feedback suggests that this segment underperformed overall expectations. Although rural markets offered some support, primarily in the two-wheeler category, marriage-related sales remained subdued. The late occurrence of Diwali at the end of October also caused a spill over of festive registrations into

November, affecting the month’s sales trajectory,” said CS Vigneshwar, president, Fada.

Sequentially, PV sales declined 33.37 per cent. Dealers cited weak market sentiment, limited product variety and insufficient new launches, compounded by the shift of festival demand into October as the reason. Although rural interest was there, it failed to significantly improve sentiment.

The CV segment also struggled, with sales down 16 per cent on a monthly basis. Contributing factors included restricted product choices, older model issues, limited financier support, and the absence of major festivals in November following a strong October.

External elements such as elec-

tions, a slowdown in coal and cement industries, and weak market sentiment also weighed heavily on this category.

In the PV segment, except for Mahindra and Mahindra (up 2 per cent versus November 2023) and Toyota Kirloskar Motor (up 13 per cent), sales of other players in the top five declined during the month.

While market leader Maruti Suzuki sales fell by 16 per cent, Hyundai Motor India was down by 14 per cent and Tata Motors by 23 per cent, respectively.

“In the PV segment, heavy discounting and improved product availability are expected to help offset weak consumer sentiment and a general year-end lull,” Vigneshwar added.

