

Auto dealers foresee sales growth in next three months

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Automobile dealers said the near-term macro setup is supportive thanks to a growth-oriented Budget with a visible thrust on infrastructure and agriculture, policy continuity post GST 2.0, and rate stability from the RBI.

“There are stronger enquiry pipelines, tighter follow-ups, and local marketing/ activation intensity translating into higher conversion potential — while the key watch-outs remain election-related disruptions in select states, the usual seasonality/ short-month effects, and model/ variant availability in specific pockets,” CS Vigneshwar, President, the Federation of Auto-



GOOD RUN. Domestic retail sales of passenger vehicles grew 7.22% year-on-year at 5,13,475 units in January B JOTHI RAMALINGAM

mobile Dealers Associations (FADA), said.

STRONG FEB-MARCH

Sharing monthly retail sales data, he said the outlook remains optimistic for the next three months. Passenger

vehicles (PV) should see a strong February-March run on the back of bookings, new model/ variant releases, and financial year-end buying (including depreciation-led decisions for some customer cohorts).

He added that April could normalise as the festival season winds down and base effects may play out unevenly across brands and regions.

“Two-wheeler (2W) segment is expected to stay on a positive slope, led by conversion of pending enquiries, continued wedding/ festival tailwinds (Shivratri, Navratri/Gudi Padwa/Ugadi), improving rural liquidity from crops, and rising traction in scooters, commuter motorcycles and EV acceptance — though growth will be capped where original equipment manufacturer (OEM) supply/ variant constraints persist and election codes impact footfall,” Vigneshwar said.

In terms of monthly sales, domestic PV retail sales grew by 7.22 per cent year-on-year (y-o-y) to 5,13,475 units in

January, as compared with 4,78,915 units in the year-ago period.

2W retail sales grew 21 per cent to 18,52,870 units (15,33,556 units).

Domestic three-wheeler (3W) registrations grew by 19 per cent to 1,27,134 units in January (1,07,013 units).

Commercial vehicle (CV) sales grew 15 per cent y-o-y to 1,07,486 units (93,410 units).

All categories cumulatively grew by around 18 per cent y-o-y to 27,22,558 units in January (23,14,940 units), according to FADA.

“The growth was powered by continued post-GST momentum, healthy rural cash flows on the back of harvest and weddings, and sustained demand visibility across mobility and freight,” Vigneshwar said.