

Sale of entry-level cars, 2Ws yet to hit pre-pandemic peak

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Domestic sales of cars and two wheelers at the entry level are far from reaching their pre-pandemic peak, according to Society of Indian Automobile Manufacturers (Siam) data, released on Friday.

The mini passenger car segment saw sales drop by about 40 per cent year-on-year (Y-o-Y) to 152,000 units in 2023-24. In 2018-19, about 471,000 units of mini passenger cars were sold in India.

The commuter motorcycle segment (75-110 cc) saw an 8 per cent Y-o-Y growth to 5.651 million units in 2023-24.

However, it is still far below the pre-pandemic peak of 8.422 million units, seen in 2018-19.

Vinod Aggarwal, president of Siam, said the slow recovery in the rural economy and customers transitioning to purchasing vehicles in higher segments are the primary reasons for the gradual decline.

“In the entry-level segment, whether in two wheelers or passenger vehicles, we can see a drop in sales. Segments, which are slightly higher, are growing much faster. It can be due to the rural economy not seeing a full recovery,” he added.

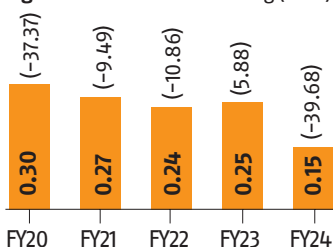
“The rural economy, with the current monsoon outlook, will only become better. Therefore, I think entry-level sales will also improve. We should also take into account the migration factor. It is also possible that a lot of migration has taken place from entry-level segments to higher ones,” he added.

IN FIRST GEAR

Mini passenger cars

■ Domestic sales (in mn)

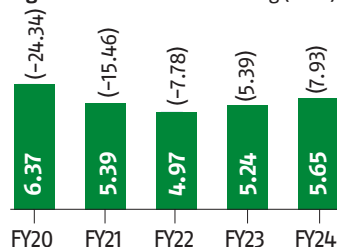
Figures in brackets: Y-o-Y chg (in %)



75-110cc motorcycles

■ Domestic sales (in mn)

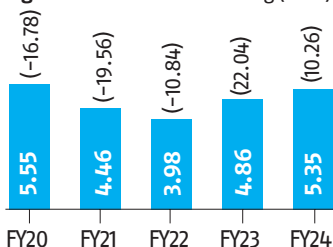
Figures in brackets: Y-o-Y chg (in %)



75-110cc scooters

■ Domestic sales (in mn)

Figures in brackets: Y-o-Y chg (in %)



Mopeds

■ Domestic sales (in mn)

Figures in brackets: Y-o-Y chg (in %)

