

# Auto sales log 9.4% growth in Q1: Fada

## TOP GEAR

	Q1FY24	Q1FY25	Y-o-Y chg (in %)	
Two-wheelers	4,046,169	4,554,255	12.56	
Three-wheelers	244,878	272,691	11.36	
Passenger vehicles	897,361	920,047	2.53	
Commercial vehicles	244,834	246,513	0.69	
Tractors	225,818	197,719		
<b>TOTAL</b>	<b>5,659,060</b>	<b>6,191,225</b>	<b>9.40</b>	

Source: FADA Research

### SHINE JACOB

Chennai, 15 July

Driven by a spike in two-wheeler and three-wheeler sales, India's automobile retail numbers posted an impressive 9.4 per cent year-on-year (Y-o-Y) growth in the first quarter of FY25, according to data shared by the Federation of Automobile Dealers Associations (Fada). Two-wheelers (2W) led the charge with an impressive 12.56 per cent Y-o-Y increase, followed by the three-wheelers (3W), which logged an 11.36 per cent rise, passenger vehicles (PV) with a 2.53 per cent growth, and commercial vehicles (CV) registering only 0.7 per cent. However, the tractor segment declined 12.44 per cent.

The overall sales stood at 6.19 million units during the quarter, compared to 5.66 million in the first quarter of 2023-24. This year, the monsoon's advancement up to Maharashtra was on track, but it then lost momentum, delaying rains in West Bengal, Bihar, Uttar Pradesh, Chhattisgarh, and Madhya Pradesh, Fada said.

This situation exacerbated the severe heatwave in north-

west India, leading to a prolonged dry spell. The intensified heatwave not only delayed the sowing operations of kharif crops in northern and north-western regions but also adversely impacted rural sales.

"The recovery in the two-wheeler segment is promising due to the emerging performance in rural areas, although these are early trends. The segment also faced significant challenges from extreme heat and the elections, resulting in a 13 per cent reduction in walk-ins during May and June. Conversely, the three-wheeler segment continues to perform well, driven by notable electrification," said Manish Raj Singhania, Fada president.

Commercial vehicles experienced a slowdown due to the electoral period and a pause in infrastructure projects. "PV already at an all-time high, is facing difficulties in maintaining high growth levels. We had anticipated that growth for this financial year would remain below 5 per cent. Despite strong bookings and customer flow, high competition, excess supply, and discounting presented challenges for sustained growth," he added.