

Festival season demand fuels retail automobile sales across categories to record high: FADA

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Vehicles across categories recorded significant growth in retail sales, some even recording the highest-ever during the 42 days (October 15 to November 25) festival season this year, the Federation of Automobile Dealers Associations (FADA) said on Tuesday.

For instance, passenger vehicle (PV) sales grew 10.32 per cent year-on-year (y-o-y) to 5,47,246 units during this period compared with 4,96,047 units during the festive period last year.

The festive period last year fell between September 26

Segment/ category	Festival season		% y-o-y
	2023	2022	
Two-wheelers	28,93,107	23,96,665	20.71
Three-wheelers	1,42,875	1,01,052	41.39
Commercial vehicles	1,23,784	1,14,498	8.11
Passenger vehicles	5,47,246	4,96,047	10.32
Tractors	86,572	86,951	-0.44
Total	37,93,584	31,95,213	18.73

Source: FADA Research

and November 6. The two-wheeler retail sales also grew around 21 per cent y-o-y to 28,93,107 units (23,96,665 units).

As usual, the three-wheeler retail sales grew 41.39 per cent y-o-y to 1,42,875 units during the festive season this year

(1,01,052 units), the FADA report said. The commercial vehicle sales grew 8.11 per cent y-o-y to 1,23,784 units (1,14,498 units). However, tractor sales declined 0.44 per cent y-o-y to 86,572 units during the festive time this year (86,951 units). The total retail

sales of vehicles across categories grew around 19 per cent y-o-y to 37,93,584 units in the period (31,95,213 units).

DIWALI SALES

"During the 42-day festive period of FY23 (which starts on the first day of Navratri and ends 15 days post-Dhanteras), we reached a new milestone with vehicle sales climbing to 37.93 lakh, a 19 per cent increase from last year's 31.95 lakh. Significant growth was observed in the two-wheeler, three-wheeler, commercial vehicles and passenger vehicles, with respective rises of 21 per cent, 41 per cent, 8 per cent and 10 per cent," Manish Raj Singhania, President, FADA, said.

Despite initial underperformance during Navratri, particularly in the PV sector, the situation improved by Deepavali, ending with a 10 per cent growth rate, he said.

"While SUVs were the highest demanded vehicles, inventory levels for passenger vehicles remain a significant concern as OEMs continue to push further dispatch thus keeping the inventory rate at near to all-time high levels. Tractors, which saw an 8.3 per cent decrease in sales during Navratri, made a remarkable recovery, ending the festive period with only a 0.5 per cent decrease. This turnaround highlights the robust purchasing power in rural India," he added.

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