

FOR IMMEDIATE RELEASE

FADA Releases August'22 Vehicle Retail Data

- *On YoY basis, total vehicle retail for the month of August'22 saw a growth of 8%.*
- *Except tractors which decreased by -32%, all the other categories were in green. 2W, 3W, PV and CV were up by 8.5%, 83%, 6.5% and 24% respectively.*
- *When compared with August'19, a pre-covid month, total vehicle retails continued to fall by -7%. While PV showed a double-digit healthy growth of 41%, growth in CV also turned positive by 6%. All the other categories were in red with 2W, 3W and Tractors falling by -16%, -1% and -7% respectively.*
- *Good monsoon fails to ignite festive spirits thus impacting Ganpati festive demand.*
- *As semi-conductor supply continues to ease, Auto Retail and PV segment especially, geared up to have the best festive season in a decade.*

8th September'22, New Delhi: The Federation of Automobile Dealers Associations (FADA) today released Vehicle Retail Data for August'22.

August'22 Retails

Commenting on how August'22 performed, FADA President, Mr. Manish Raj Singhania said, **“Auto Retail for the month of August'22 saw an overall growth of 8%. August opens the door for festival season to kick in. While Dealers anticipated good Ganesh Chaturthi in August, the results thus far has not been encouraging. In spite of good monsoons, festive season began with a dampener during Ganpati.**

When compared with August'19, a pre-covid month, total vehicle retails fell by -7%. While PV outperformed handsomely by growing 41%, CV also turned positive by growing 6% and thus came out of the covid blues. All the other segments were in red with 2W, 3W and Tractors falling by -16%, -1% and -7% respectively.

While the 2W segment has grown by 8.5% YoY, it continues to face covid blues due to underperformance of Bharat and is still not above 2019 levels. This coupled with price hikes has made the 2W product out of reach for most entry level customers. With erratic monsoon, the crop realisation has been low and flood like situation has restricted customer movement.

The 3W space continues its healthy double digit growth (grows 83% YoY) when compared YoY. It has now also equalled 2019 sales for the first time. Electrification is also the highest in this category as e-Rickshaw leading the way. There is a clear indication that customers are now preferring electric vehicles over ICE vehicles as ICE 3W continues to see double digit de-growth when compared to pre-covid levels.

The CV segment continues to witness an upswing in economic activities post monsoon and saw a growth of 24% YoY. This along with government's infrastructure push, new launches by OEMs and better conversion in fleet operations has kept the segment in green. Apart from this, the Passenger Carrier segment is also showing good demand due to increased buying from Educational Institutions.

The PV segment continues to be on a bull run (grows 6.5% YoY) as demand for all sub categories of vehicles except entry level remained strong. This is also aided by new feature rich launches which OEMs are doing since last few months. With semi-conductor shortage slowly becoming a passe, vehicle availability has definitely improved but waiting period continues to remain due to high demand in higher feature rich variants.”

Near Term Outlook

While the month of September brings with itself Onam and Navratri, it also brings the 15-days period of Shraadh, generally considered as an inauspicious period for buying vehicles. With easing of supply, PV segment will definitely see the best ever festivities (Navratri and Diwali) in last 1 decade. Along with this, if vehicle prices continue to remain stable and there is no more health related threats, we may see an uptick in the much awaited 2W space which has not shown the required growth since last festivals.

With Government’s continuous push in infrastructure spending, we will also see an uptick in CV space.

Overall, FADA changes its stance from ‘cautiously optimistic’ to ‘optimistic’ as it enters the festive period.

Key Findings from our Online Members Survey

- **Inventory at the end of August’22**
 - Average inventory for Passenger Vehicles ranges from 30 – 35 days
 - Average inventory for Two – Wheelers ranges from 30 – 33 days

- **Liquidity**
 - Good 47.9%
 - Neutral 37.2%
 - Bad 14.9%

- **Sentiment**
 - Good 46.3%
 - Neutral 40.5%
 - Bad 13.2%

- **Expectation from September**
 - Growth 61.2%
 - Flat 27.3%
 - De-growth 11.6%

Chart showing Vehicle Retail Data

All India Vehicle Retail Data for August'22

| CATEGORY | AUG'22 | AUG'21 | YoY % | AUG'20 | % Change w.r.t AUG'20 | AUG'19 | % Change w.r.t AUG'19 |
|---------------------------|------------------|------------------|--------------|------------------|-----------------------|------------------|-----------------------|
| 2W | 10,74,266 | 9,89,969 | 8.52% | 9,31,241 | 15.36% | 12,76,681 | -15.85% |
| 3W | 56,313 | 30,748 | 83.14% | 17,142 | 228.51% | 56,686 | -0.66% |
| E-RICKSHAW(P) | 28,306 | 11,133 | 154.25% | 5,093 | 455.78% | 10,909 | 159.47% |
| E-RICKSHAW WITH CART (G) | 1,383 | 911 | 51.81% | 601 | 130.12% | 336 | 311.61% |
| THREE WHEELER (GOODS) | 6,012 | 6,073 | -1.00% | 3,865 | 55.55% | 7,018 | -14.33% |
| THREE WHEELER (PASSENGER) | 20,557 | 12,582 | 63.38% | 7,548 | 172.35% | 38,322 | -46.36% |
| THREE WHEELER (PERSONAL) | 55 | 49 | 12.24% | 35 | 57.14% | 101 | -45.54% |
| PV | 2,74,448 | 2,57,672 | 6.51% | 1,84,477 | 48.77% | 1,94,165 | 41.35% |
| TRAC | 49,305 | 72,208 | -31.72% | 68,460 | -27.98% | 53,112 | -7.17% |
| CV | 67,158 | 54,107 | 24.12% | 27,452 | 144.64% | 63,259 | 6.16% |
| LCV | 41,311 | 35,243 | 17.22% | 21,753 | 89.91% | 38,361 | 7.69% |
| MCV | 4,320 | 2,980 | 44.97% | 752 | 474.47% | 4,008 | 7.78% |
| HCV | 18,996 | 12,627 | 50.44% | 2,451 | 675.03% | 18,299 | 3.81% |
| Others | 2,531 | 3,257 | -22.29% | 2,496 | 1.40% | 2,591 | -2.32% |
| Total | 15,21,490 | 14,04,704 | 8.31% | 12,28,772 | 23.82% | 16,43,903 | -7.45% |

Source: FADA Research

Disclaimer:

- 1- The above numbers do not have figures from MP, LD & TS. Even though MP is now on Vahan, due to unavailability of previous year's figure, we have not taken them in our comparison for August'22.
- 2- Vehicle Retail Data has been collated as on 06.09.22 in collaboration with Ministry of Road Transport & Highways, Government of India and has been gathered from 1,337 out of 1,410 RTOs.
- 3- CV is subdivided in the following manner
 - a. LCV – Light Commercial Vehicle (incl. Passenger & Goods Vehicle)
 - b. MCV – Medium Commercial Vehicle (incl. Passenger & Goods Vehicle)
 - c. HCV – Heavy Commercial Vehicle (incl. Passenger & Goods Vehicle)
 - d. Others – Construction Equipment Vehicles and others
- 4- 3W is sub-divided in the following manner
 - a. E-Rickshaw – Passenger
 - b. E-Rickshaw – Goods
 - c. 3-Wheeler – Goods
 - d. 3-Wheeler – Passenger
 - e. 3-Wheeler – Personal

August'22 Category-wise market share can be found in Annexure 1, Page No. 05

----- End of Press Release -----