



FEDERATION OF AUTOMOBILE DEALERS ASSOCIATIONS

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FOR IMMEDIATE RELEASE

F A D A releases December'18 Vehicle Registration Data

- *Auto sales still in choppy waters but initial signs of Positive consumer sentiment visible post dull festive season*
- *Last 15 days surge in PV sales arrests de-growth indicating demand uptick.*
- *2W sees de-growth MoM but year-to-date retail sales still on the positive side*
- *Inventory in PV reduced by immediate steps of moderation in dealer supplies by OEM's. Hopeful that 2W OEMs will take positive steps in January towards inventory reduction.*

8th January'19, New Delhi: The Federation of Automobile Dealers Associations (F A D A) today released the Monthly Vehicle Registration Data for the month of December'18.

Commenting on the December numbers, F A D A President, Mr Ashish Harsharaj Kale said, **“We are seeing initial signs of revival in the industry as compared to the recent festival season. Passenger vehicle sales arrest further de-growth as good retail momentum in last 15 days indicates sentiment turning positive. 2W shows positive growth on a YoY basis although MoM trend shows decline.”**

Post festive season, Fuel Prices have reduced to its lowest levels in the last 3 months. Although Liquidity continued to be a major constraint in December, a number of initiatives seem to be on the table of our policy makers towards easing the overall situation, positive effects of which will be felt in this quarter. The NBFC Liquidity, which directly impacts the Auto Industry is also getting due attention and we are hopeful that positive measures will be taken in the meeting of the RBI Governor with all the NBFC's today, further helping in improving the consumer sentiment.

F A D A appreciates the efforts taken by our OEMs to correct the Extremely High Dealer Inventory post the festival season, especially OEM's of Passenger Vehicles.

Moderation in wholesale billing in the month of December and some reasonably good retail sales, towards the month end, has definitely helped in reducing the extremely high PV inventory, to reasonable levels in many markets. Continued efforts in the right direction by all OEMs in the PV segment will surely bring down the Inventory levels to normal across all geographies by January end.

CV inventory reduced slightly in December but continues to be above normal. Continuation of the efforts, as taken in December by CV OEMs of calibrated dealer billing, coupled with continued strong retails, will ensure return to normal dealer stock levels in January.



F A D A would like to highlight that the Inventory of 2W Dealers still continues to be Very High and we hope that similar Positive steps, as taken by the PV OEMs, are being taken by the 2W OEMs and wholesale billing in January will be moderated, as per the months retail situation.

According to a survey conducted by F A D A among its members, the current inventory of PVs ranges from 35-40 days, 2W ranges from 55-60 days and CV ranges from 35-40 days.

On this new initiative of releasing Registration number by F A D A, Mr. Kale said, **“We are happy to state that starting this month, F A D A will release Vehicle Registration Data on a monthly basis between the 7th & 10th of every month. With this Press Release we are releasing comparison data for 2W and PV on a YoY and MoM comparison basis and plan to release similar comparisons for all categories April onwards. We hope that it will act as a Barometer for the industry as well as for the Policy Makers and help understand the on-the-ground situation of Auto sales, in turn helping Frame Future Actions and Policies.**

This will not only help us but also all the stake holders of the Industry in planning the business in a much more competent way and help balance inventory levels and act as a driver to make changes in business as deemed necessary.”

Concluding on a positive note, F A D A President said, **“Customer interest is still healthy, indicating sales will come back in its previous growth trajectory sooner than later. As predicted during festival season data release, Healthy Customer Inquiry Level, coupled with Stakeholders of the Industry coming together and moving ahead in a cohesive manner, the Auto Industry will once again clock real growth close to double digits by the end of this FY!”**

Our study shows that for the month of December and on YoY basis:

- 2W were up by **+11%**
- PV were down by **-3%**

For the Current Financial Year up to 31st December’18 and on YoY basis:

- 2W were up by **+5%**
- PV were down by **-2%**

A Chart with comparisons can be found in [Annexure 1](#).

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



Annexure 1

Monthly Comparison	Dec'17	Nov'18	Dec'18	MoM	YoY
2W	10,29,311	13,83,572	11,41,209	-18%	11%
3W	-	43,202	45,008	4%	-
CV	-	63,124	53,712	-15%	-
PV	2,08,988	2,17,922	2,02,585	-7%	-3%
Total	-	17,07,820	14,42,514	-16%	9%

Year to Date Comparison	01Apr-31Dec'17	01Apr-31Dec'18	YoY
2W	1,05,37,542	1,10,71,352	5%
PV	19,65,630	19,17,750	-2%

Source: F A D A Research

Disclaimer: Vehicle Registration Data has been collated in collaboration with Ministry of Road Transport & Highways, Government of India and has been gathered from 1,072 out of 1,431 RTOs.

About F A D A India

Founded in 1964, Federation of Automobile Dealers Associations (F A D A), is the apex national body of automobile retail industry in India engaged in the sale, service and spares of 2/3 Wheelers, Passenger Cars, UVs, Commercial Vehicles (including buses and trucks) and Tractors. F A D A India represents over 15,000 automobile dealers having 25,000 dealerships including 30 Associations of Automobile Dealers at the Regional, State and City levels accounting for 90% of market share in India. Together we employ over 2.5 million direct employees and another 2.5 million as indirect employees, making it a total of ~5 million people in the country at dealerships and service centres.

F A D A India, at the same time also actively networks with the industries and the authorities, both at the Central & State levels to provide its inputs and suggestions on the Auto Policy, Taxation, Vehicle Registration Procedure, Road Safety and Clean Environment, etc. to sustain the growth of the Automobile Retail Trade in India.

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