Growing Demand for Used Cars in Hyderabad Fuels Higher Sales for Cars24

Hyderabad, Telangana | 11 February 2026: Cars24, India's leading auto-tech platform, is strengthening its presence in Telangana as one of its fastest-scaling consumer markets, driven by rising adoption of organised, digital-first car buying and ownership services. The state has emerged as a key growth engine for Cars24's retail, financing, and vehicle ownership offerings as customers increasingly seek trust, transparency, and convenience in pre-owned car purchases.

During **H1 FY26**, nearly **10%** of vehicles transacted on Cars24 originated from Telangana, with Hyderabad accounting for the bulk of overall state volumes. The market continues to see strong demand for trusted retail purchases, faster price discovery, and financing-led convenience—trends that are reshaping the used-car ecosystem in the region.

At a group level, Cars24 reported **Adjusted Net Revenue** of **₹651 crore** in H1 FY26, up **18% year-on-year**, while **Adjusted EBITDA** losses reduced by **36% YoY** to **₹162 crore**, reflecting a sustained focus on improving unit economics alongside customer experience.

In the first six months of the year, nearly **85,000 cars** were transacted across India, the UAE, and Australia, generating **₹3,731 crore** in vehicle transaction GMV. Retail GMV crossed **₹2,000 crore**, growing **21% YoY**, and now contributes **more than 50%** of total vehicle transaction GMV, supported by expanded margins of **19.3%**.

Hyderabad's pre-owned car market remains largely petrol-led, with petrol vehicles accounting for **87.6%** of total transactions, while diesel models contribute **11.6%**, reflecting customer preference for lower ownership and maintenance costs.

Among individual models, the **Nexon** emerged as the most preferred pre-owned car in Hyderabad, accounting for **4.1%** of total sales, followed closely by the **Baleno (3.97%)** and the **Swift (2.43%)**. Collectively, the top three models contribute over **10%** of all pre-owned car transactions in the city.

The data highlights a clear inclination towards **compact SUVs and hatchbacks**, underlining Hyderabad consumers' growing demand for **versatile, fuel-efficient, and city-friendly vehicles**.

In Telangana, retail-led transactions continue to form a significant share of overall activity, mirroring the national shift towards higher-trust, consumer-first channels, particularly in metro markets such as Hyderabad.

Cars24's financing platform, LOANS24, disbursed loans worth **₹1,637 crore** in H1 FY26, registering a growth of **38% YoY**, as more buyers opted for structured, tech-enabled financing. Telangana saw strong traction during the period, with Hyderabad witnessing rising adoption among salaried professionals and small business owners.

Beyond transactions, Cars24's Vehicle Ownership Services GMV grew **19x YoY** to **₹94 crore**, reinforcing the company's evolution from a one-time transaction platform to a long-term car ownership partner. Services such as insurance, inspection reports, challan management, and guaranteed buyback continued to see rising adoption, driving repeat engagement and customer stickiness across key markets, including Telangana.

Cars24 invested **₹95 crore** in technology in H1 FY26, with a focus on AI-led pricing, inspections, and customer communication. Its AI voice systems now manage over **7 lakh minutes** of calls every month, while inspection turnaround times have reduced by nearly **30%**, significantly improving turnaround and experience in high-volume cities such as Hyderabad.

Trust remains a key differentiator, with Cars24 introducing industry-first **30-day returns** and a **lifetime warranty** on retail cars. These initiatives have contributed to strong customer satisfaction, reflected in an average rating of **4.6 out of 5**.

Shivanshu Makkar, CFO India, Cars24, said, "Markets like Telangana highlight how quickly Indian consumers are embracing organised, digital-first car ownership. In H1 FY26, our focus was on building trust through better products, financing, and ownership services while continuing to strengthen our unit economics. This positions us well for the next phase of growth."

With H2 FY26 Adjusted Net Revenue expected to cross **₹750 crore**, up nearly **35% YoY**, Cars24 plans to further expand its retail and financing presence in Telangana, deepen local partnerships, and increase adoption of its ownership services across Hyderabad and other key cities in the state.

About Cars24

Since its inception in 2015, CARS24 has been on a mission to simplify car ownership for everyone. Offering services such as buying, selling, loans, insurance, scrapping and more, CARS24 is the ultimate automotive super app. Through CARS24 Financial Services, the company also provides innovative vehicle lending solutions, further enhancing its customer offerings.

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