

# + PV inventory at three-year high

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As the festival season approaches, the passenger vehicle (PV) inventory of dealers was at a three-year high at the end of July. According to data from the Federation of Automobile Dealers (FADA), PV inventory at the end of July was 50-55 days, while the inventory for two-wheelers was 20-22.

"The inventory for passenger vehicles has surpassed the 50-day mark, suggesting an inventory build-up in anticipation of the forthcoming festive season," a statement from FADA says.

In 2022, the August inventory for passenger vehicles was 30-35 days and for two-wheelers it was 30-33 days; in 2021, it was 25-



30 days and 20-25 days, respectively; and in 2020, it was 5-10 days and 15-20 days, respectively.

## ALL-TIME HIGH

FADA representatives are slated to meet original equipment manufacturers (OEM) on September 14 to discuss the inventory pile-up.

"This is the highest-ever inventory reported. The earlier peak was seen in 2018 with 40-45 days. We advocate for 21 days' stock...

the entry-level model of every OEM is available at dealerships. OEMs need to recalibrate according to demand," said Manish Raj Singhanian, president of FADA.

*businessline* had earlier reported FADA's concern over the inventory build-up and that it had asked OEMs to monitor the increase in manufacturing across the passenger vehicle segment. It had warned that vehicle sales would dip further if the monsoons fell short this year.

## FESTIVE DISCOUNTS

Given the high inventories, consumers can expect high discounts during the festival season

"Vehicle discounts are crossing new highs with the accumulated stocks and vehicle shortages," added Singhanian.