

Passenger vehicle sales up 4 per cent in May



IN FINE FORM. The total production of vehicles, including passenger vehicles, two- and three-wheelers and quadricycles, was 24,55,637 vehicle units REUTERS

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Passenger vehicle sales increased 4 per cent with 3,47,492 vehicle units in May 2024, according to the Society Of Indian Automobile Manufacturers (SIAM).

The total production of vehicles including passenger vehicles (PVs), two- and three-wheelers and quadricycles was 24,55,637 vehicle units. The three-wheeler sales were 55,763 units, while two-wheeler sales were 16,20,084 units in May.

The two-wheeler sales were up 10.1 per cent, while the three-wheeler sales were up 14.7 per cent year-on-year.

“Sales of PVs of May 2024 have been the highest ever in May, although returning a moderate growth of 3.9 per cent compared to May 2023. Two-wheelers posted a growth of 10.1 per cent in May 2024, compared to last year, but are still lower than the 2017-18 levels of May. Domestic sales of three-wheelers in May 2024 grew 14.7 per cent compared to May 2023, posting the

highest-ever sales of May, surpassing the previous peak of the year 2018-19,” said Rajesh Menon, Director General, SIAM.

HIGHER INVENTORY

Meanwhile, the domestic automobile retail sales saw a 2.61 per cent uptick year-on-year, while the sales fell 9.48 per cent month-on-month.

According to the Federation Of Automobile Dealers Association (FADA), the sales decline led to higher inventory levels of up to 60 days with dealers.

“Impact of elections, extreme heat and market liquidity issues are the major factors. Despite better supply, some pending bookings and discount schemes, the lack of new models, intense competition and poor marketing efforts by OEMs affected sales.

“Additionally, increased customer postponements and low enquiries contributed to the challenging market conditions. Due to the extreme heat, the number of walk-ins to showrooms dropped around 18 per cent,” said Manish Raj Singhania, President of FADA.