

# Car, SUV wholesales up 4% in Nov, two-wheelers 31%

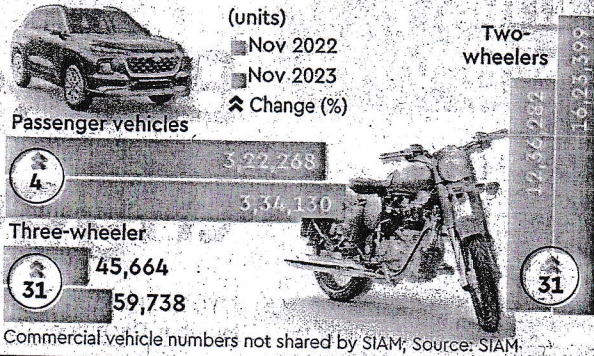
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**DESPATCHES OF CARS** and sports utility vehicles (SUVs) to dealers slipped to a multi-month low in November as manufacturers chose to cut down production to reduce inventory levels after conclusion of a robust festive season.

Passenger vehicles comprising cars, SUVs and vans (excluding Mercedes-Benz, BMW, Jaguar Land Rover and Volvo) witnessed a year-on-year (y-o-y) growth of 4% in volumes to 334,130 units during the month, according to data shared by the Society of Indian Automobile Manufacturers (SIAM) on Tuesday.

With inventory days shooting up to 65 days, manufacturers and dealers have rolled out discount schemes, which are at their highest levels since the start of the year. With discounts ranging from ₹40,000-₹4 lakh, manufacturers are looking to liquidate stock before the close of the year. The low growth in November comes despite Diwali

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falling in the month this year.

The industry had an estimated 330,200 units in stock by the end of November, roughly the equivalent of one month's stock. Despatches in December are expected to be much lower as the focus will shift to accelerate retail volumes and lower production. At the start of the month, almost all carmakers announced plans to hike prices from January. Carmakers have blamed rising costs, adverse movement of the rupee and a hike in commodity

rates for increasing prices.

In an interaction earlier this month, Shashank Srivastava, senior executive officer, marketing and sales, Maruti Suzuki India (MSIL), said: "December wholesales are expected to be lower. We have to plan the production for December and plan how to push retail sales."

Demand for two-wheelers, however, was upbeat. The segment saw volumes of 1.62 million units during November, a y-o-y growth of 31%, which came on a low base.