

# 150 automobiles sold every minute

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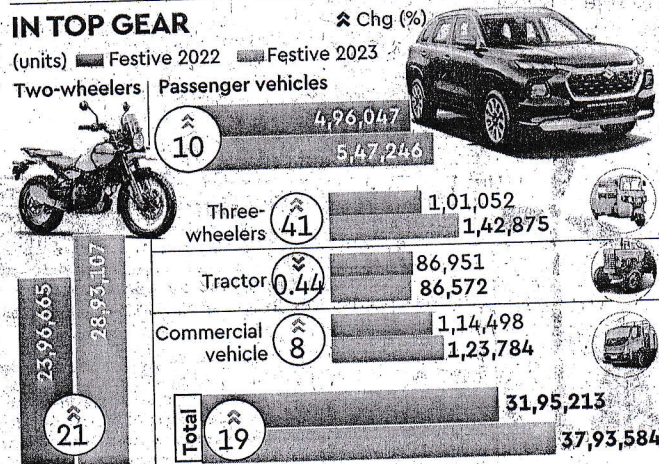
**AUTOMOBILE SALES HIT** a record high in the recently-concluded festive period with 3.8 million vehicles sold in six weeks, the Federation of Automobile Dealers Association (FADA) announced on Tuesday.

Despite the high base of last year, passenger vehicles (PVs) comprising cars, sports utility vehicles (SUVs) vans, two- and three-wheelers closed the period at an all-time high level.

A total of 3.79 million vehicles were sold in the 42-day period between the first day of Navratri and 15 days after Dhanteras, recording a year-on-year growth of 19% over the same festive period of last year, according to data collated as on November 27 in collaboration with the ministry of road transport and highways.

Manish Raj Singhanian, president, FADA, said, "Record-breaking sales were reported in several categories, with rural areas particularly contributing to the surge in two-wheeler purchases. Despite initial underperformance during Navratri, particu-

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Source: FADA Research

larly in the PV sector, the situation improved by Deepawali."

PVs crossed the half-a-million mark for the first time during the festive season, clocking a total sale of 547,246 units, a growth of 10%. Two-wheeler volume grew by 21% to 2.89 million units while the three-

wheeler segment grew by 41% to 1,42,875 units. While commercial vehicle sales grew by 8% to 1,23,784 units, tractor sales saw a fall of 0.44% to 86,572 units.

Festive season, which typically generates 20% of the full year's volume, is considered to be the most

important period for the automotive industry. New launches, discounts and easy financing schemes also help entice the buyers.

In anticipation of high demand and spot purchases, dealers were carrying unusually high stock during the festive days which peaked during Diwali. According to FADA, the inventory days for PVs hit a 5-year high of 60-65 days.

Manufacturers were pumping in stocks during October when dispatches to the dealers crossed 391,000 units. This is expected to have come down during November. Dealers have asked the manufacturers to moderate dispatches in order to keep a healthy level.

While the actual stock levels within the system will be known on December 1, dealers say that owing to the high inventory levels, discounts are expected to head north before the end of next month.

Carmakers, including Maruti Suzuki, Tata Motors, Mahindra & Mahindra and Audi, on Monday announced plans of hiking prices from January to offset inflationary pressures.