

# Domestic PV sales marginally up amid high base, elections

DEEPAK PATEL  
New Delhi, 1 May

Domestic passenger vehicle sales in April rose by only 1.76 per cent year-on-year (Y-o-Y) to 338,341 units, impacted by a high base effect, the ongoing general elections and low demand for small cars.

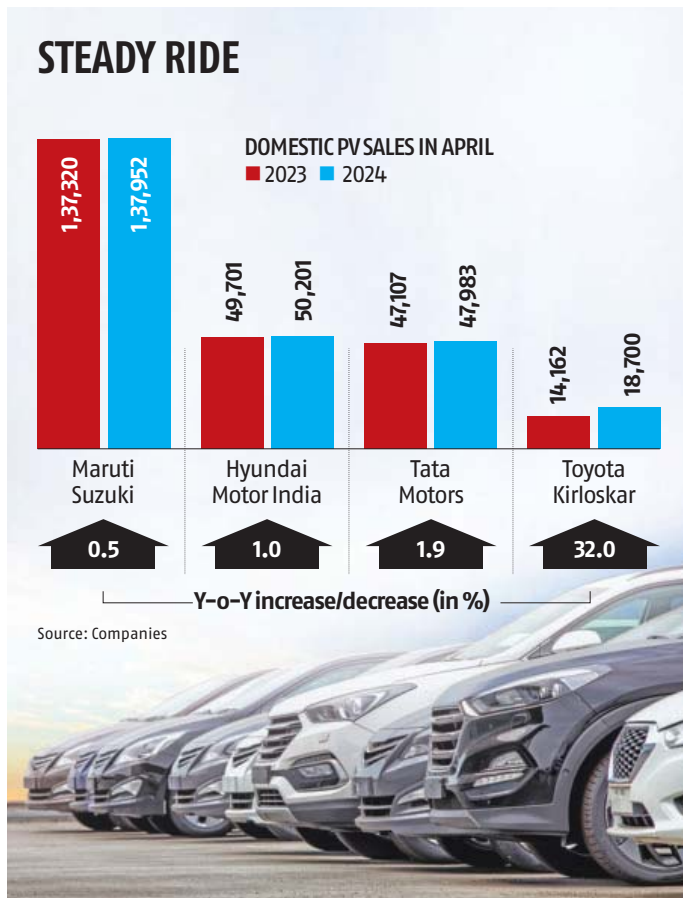
“We have started on a very high base this year, considering the industry numbers. Other thing is that the country is going through the election process. So, there is a code of conduct. Till the month of June, things (sales) would be more or like this. After June, you may see a revival in the market,” said Partho Banerjee, senior executive officer, Marketing & Sales, Maruti Suzuki India Limited (MSIL) at a press conference.

The general elections are being conducted in seven phases, with counting scheduled for June 4. In April 2024, MSIL’s domestic PV sales saw a modest year-on-year increase of just 0.5 per cent, totalling 137,952 units.

“This year, the growth is anticipated to be modest, likely in the single digits. However, we prefer to refrain from making a forecast for the entire year until after the elections, as a new set of policies may be issued thereafter,” noted Banerjee.

## MSIL growth matrix

Banerjee said that the industry’s sport utility vehicle (SUV) sales



grew by 15 per cent in April 2024. Therefore, the share of SUVs in industry’s total PV sales jumped to 53.6 per cent in April 2024 from 46.3 per cent in the corresponding month last year.

“The sales in the small car segment (hatchbacks and sedans)

have decreased further in April 2024.

This segment is degrowing, dragging the growth of the industry,” Banerjee mentioned.

“Salaries have not increased sufficiently to match the rising prices of small cars due to regula-

tions over the last few years,” he stated.

However, he asserted that by the end of 2026 or by 2027, the small car segment is expected to bounce back, and sales will revive.

He said, “The revival of two-wheeler sales is underway. Historically, when two-wheeler sales revive, the small car segment also experiences a revival with a lag.”

## Hyundai riding on SUVs

Hyundai Motor India (HMI) witnessed a 1 per cent Y-o-Y increase in domestic sales, totalling 50,201 units in April this year.

Chief Operating Officer Tarun Garg informed reporters that the observed growth aligns with the company’s expectations.

He highlighted a shift in sales dynamics, noting a decline in hatchback sales. Garg emphasised the company’s adaptation to this trend through an optimised production mix. “In 2022, SUVs accounted for 53 per cent of our sales. Last year, this figure rose to 60 per cent. Presently, it stands at around 67 per cent. We align our presence with customer demands,” he said.

He emphasised that the hatchback segment remains significant. “It’s just that customers are increasingly aspiring for more. Rural sales are surging, and even there, SUVs are preferred,” he noted.

The domestic PV sales of Tata Motors increased by 1.9 per cent Y-o-Y to 47,983 units in April 2024.