

Automobile sales gather pace in July on improved chip supply, new launches

Companies bullish on demand during upcoming festival season

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Improved semiconductor supply and new launches in the last few months led to growth in automobile sales in July, not only in the passenger vehicle (PV) segment, but also in the two-wheeler and commercial vehicle segments.

Some companies recorded one of the highest monthly sales in July post Covid restrictions and some reported highest-ever monthly sales in their history of operations in the country.

In the PV segment, market leader Maruti Suzuki India (MSIL) reported domestic wholesales (dispatches to dealers) of 1,42,850 units, a 7 per cent rise against 1,33,732 units in July last year.

The second largest manufacturer Hyundai Motor India said it sold 50,500 units in the domestic market, a five per cent jump YoY compared with 48,042 units in the corresponding month last year.

'Punch' maker Tata Motors reported sales growth of 57 per cent YoY to 47,505 units (30,185 units).

'Thar' maker Mahindra & Mahindra grew 33 per cent at 28,053 units (21,046 units).

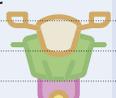
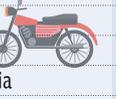
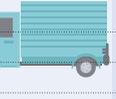
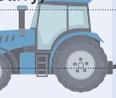
Kia India sold 22,022 units of sports utility vehicles (SUVs) during the month, a growth of 47 per cent compared to 15,016 units in July 2021.

Toyota Kirloskar Motor sold a total of 19,693 units, the highest-ever wholesales clocked by the manufacturer in a single month ever since its inception in India. The company had sold 13,105 units in July last year.

However, companies like MG Motor and Nissan India reported declining number in their domestic sales. While Nissan India reported 14 per cent YoY decline in sales at 3,667 units (versus 4,259), MG Motor recorded five per cent decline at 4,013 units (4,225 units).

Stock build-up

"There is an increase of stock build-up in the industry now - from 1,20,000 units in the beginning of April to almost two-lakh units now for the existing models. That is some-

Domestic wholesales on the mend			
	July 2022	July 2021	% change
Cars/passenger vehicles			
Maruti Suzuki India 	1,42,850	1,33,732	7
Hyundai Motor India	50,500	48,042	5
Tata Motors	47,505	30,185	57
M&M	28,053	21,046	33
Kia India	22,022	15,016	47
Honda Cars India	6,784	6,055	12
Toyota Kirloskar Motor	19,693	13,105	50
MG India 	4,013	4,225	-5
Skoda Auto			
Nissan India	3,667	4,259	-14
Two-wheelers			
Hero MotoCorp 	4,30,684	4,29,208	0.34
Honda Motorcycle & Scooter India	4,02,701	3,40,420	18
Bajaj Auto	1,64,384	1,56,232	5
TVS Motor	2,01,942	1,75,169	15
Suzuki Motorcycle India	60,892	60,589	0.5
Commercial vehicles			
Ashok Lelyland 	12,715	81,29	56
Volvo Eicher	5,360	3,553	51
Tata Motors	31,473	21,796	44
M&M	21,604	16,021	35
Maruti Suzuki (Super Carry)	2,816	2,768	2
Tractors			
Escorts Kubota 	4,704	6,055	-22
M&M	21,684	25,769	-16

Source: Companies

thing we need to watch for, although the bookings for new models are good," Shashank Srivastava, Senior Executive

Director (Sales & Marketing), MSIL, said. He said for MSIL, the stock build-up is less, but others have a large inventory

now and one of the challenges is to make model-wise matching with the demand, especially with the upcoming festival season.

In the two-wheeler segment, market leader Hero MotoCorp reported marginal growth in sales with 4,30,684 units (4,29,208 units).

Honda Motorcycle & Scooter India (HMSI) reported 18 per cent growth at 4,02,701 units (3,40,420 units).

"Factors like good monsoon and increased demand for personal mobility translated to rise in customer walk-ins and enquiries. Commencing second quarter on a high along with the coming festival season, we expect to regain the growth momentum at a faster rate," Atsushi Ogata, Managing Director, President and Chief Executive Officer, HMSI, said.

TVS Motor Company also reported 15 per cent YoY growth in sales during the month while Bajaj Auto grew by five per cent.

The commercial vehicle segment saw major companies post higher double-digit growth on the yearly basis. However, in the tractor segment, both Escorts and M&M reported decline in sales.