

PV dispatches rise 13% to clock April record high: Siam

Scooters have grown the fastest among two-wheelers, recording a 19.5% growth YoY to 464,389 units

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Passenger vehicle (PV) sales continued to see double-digit growth in April even as the country transitioned to BS-VI phase-II emission norms during the month. In fact, domestic sales (wholesale) of PVs this April were the highest recorded in the month in any year, said the Society of Indian Automobile Manufacturers (Siam).

"Domestic sales of PVs of April 2023 have been the highest ever in April, returning a growth of 12.9 per cent, compared to April 2022," said Rajesh Menon, director general, Siam. The number of units sold in this category was 331,278 units, versus 293,303 a year ago (see chart).

Apart from PVs, two- and three-wheelers have also done well during the month.

Vinod Aggarwal, president, Siam, said, "All segments — PVs, two-wheelers and three-wheelers have posted growth in April, compared to April 2022, which clearly indicates that the industry has been able to transition very smoothly to BS-VI phase-II emission norms from April 1, 2023."

"As we gradually enter the monsoon season, among other factors, good rainfall can also help the auto industry sustain its growth," he said.

Despite a growth in dispatches, PV segment leader Maruti Suzuki India's production dipped 5.7 per cent in April to 144,097 units. Mahindra and Mahindra (M&M), on the other hand, has managed to increase production by almost 35 per cent in April. Tata Motors did not share production numbers.

Two-wheeler sales in April went up 15.1 per cent year-on-year (YoY), while three-wheeler sales more than doubled to 42,885 units.

Menon said domestic sales of three-wheelers inched closer to pre-Covid levels. E-rickshaw sales grew more than three times to 2,591 units in the three-wheelers category, indicating growing demand.

According to a recent ICRA report, the electric segment is likely to account for 14-16 per cent of new three-wheeler sales (excluding rickshaws) by FY25, up from the current 8 per cent.

The number is estimated to rise to 35-40 per cent by FY30 as the product gains more acceptance and financing-related challenges subside.

Kinjal Shah, vice-president and co-group head, corporate ratings, ICRA, said in March, "e-3Ws (including e-rickshaws) have been at the forefront of India's electrification journey, being among the early adopters. In 10M FY2023 (April-January), e-3Ws (excluding rickshaws) recorded a penetration of 8 per cent, compared to 4 per cent for two-wheelers and 1 per cent for passenger vehicles."

A favourable regulatory environment with central and state government subsidies to lower capital costs, as well as reduction or waiver of registration fees, road taxes, and permit requirements, continues to be supportive of e-auto adoption.



IN FIFTH GEAR

Domestic sales

■ Apr 2022 ■ Apr 2023

Passenger vehicles

2,93,303

3,31,278



Three-wheelers

20,997

42,885



Two-wheelers

11,62,582

13,38,588



NOTE: BMW, Mercedes, JLR & Volvo Auto data not available. Tata Motors Domestic Sales data included only in 'passenger vehicles', detailed break-up is not available Source: Siam

"Coupled with the inherently lower running costs, this results in a much lower (40-45 per cent) total cost of ownership (TCO) than conventional diesel or CNG 3Ws, making the conversion to e-autos an attractive proposition," Shah said.

Scooters have grown the fastest among two-wheelers clocking a 19.5 per cent growth YoY to 464,389 units. Motorcycles, on the other hand, have grown 14 per cent (839,274 units) while moped volumes dropped 10 per cent (34,925 units).