

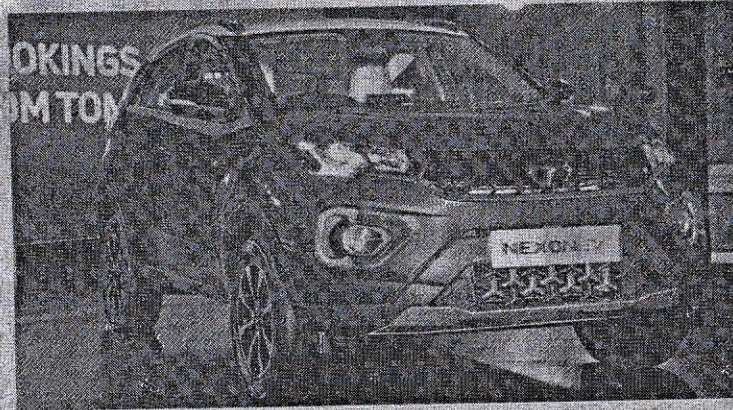
With FY23 sales topping 1 m, TaMo leads the compact SUV race

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With a large section of the Indian car buying population showing a preference for SUVs, the compact SUV segment - sub-4 metre SUVs - has achieved record volumes of little over a million units in FY23, and Tata Motors has secured the top position in the segment, accounting for close to one-third market share during the period.

For the second year in a row, SUVs (including all types) have recorded higher sales than cars. In FY23, SUV volumes crossed the two million unit mark at 20,03,718 units, while passenger car volumes were at 17,47,376 units.

In FY22, SUV volumes were at 14,89,219 units, while car sales stood at 14,67,039, according to data provided by the Society of Indian Auto-



IN TOP GEAR. In FY23, compact car volumes stood at 13,82,471 units, while compact SUV volumes were at 10,02,864 units

mobile Manufacturers.

Among SUVs, the compact SUV is the fast-growing segment; in FY23, one in every two SUVs sold was a compact SUV. This segment has emerged as the second largest category after compact cars in the passenger vehicle market.

In FY19, compact car volumes stood at 15,67,014 units, while compact SUV

volumes were at 15,848 units.

The post-Covid period has seen an exponential rise in sales of SUVs, in particular compact SUVs, as the market has been flooded with numerous new products.

With the pandemic impacting income sentiment significantly for small car buyers, purchases and upgrades have been postponed in this segment. On the other

hand, SUVs carrying a higher price tag, witnessed a significant jump in volumes.

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MAKING STRIDES

While every car manufacturer has launched new SUV models to cash in on the customer shift, Tata Motors has been a major beneficiary of the SUV boom. From being a modest player a few years ago, Tata Motors has risen to the position of a leader in the compact SUV segment.

While well-planned new launches have upped Tata Motors's game in the SUV market, two products - Nexon and Punch - have taken the brand to a dominant position. Both are among the top 10 passenger vehicles sold in March 2023.

Tata's market share in the

compact SUV segment has grown to about 31 per cent, with total sales of 3.05 lakh units in FY23, up from 23 per cent in FY22. Mahindra has a 21 per cent share, followed by Maruti Suzuki (15 per cent) and Hyundai (12 per cent).

"All four SUVs - Nexon, Punch, Harrier, and Safari - recorded their highest-ever annual sales, contributing 66 per cent of the total volume in FY23," said Shailesh Chandra, Managing Director, Tata Motors Passenger Vehicles Ltd., and Tata Passenger Electric Mobility Ltd.

The competition in the compact SUV space is set to intensify further in the coming months, with more products set to hit the market.

One of them is Hyundai's SUV Exter, which is likely to take on the Tata Punch. The company currently sells the Venue in the sub-4 metre segment.