Chip shortage: Maruti accounts for over 50% of order backlog in PV market

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Maruti Suzuki India (MSIL) has more than 50 per cent of India's passenger vehicle (PV) bookings back log currently, due to the ongoing

chip shortage.

It has an order backlog of 3.98 vehicles currently, mostly in the utility vehicle caregory like the XL6. Grand Vitara, Brezza and Fronx, out of the total estimated seven-lakh units for the whole PV market in the country, Shashank Srivastava, Senior Executive Officer, Sales and Marketing, Maruti Suzuki India, told businessline.

"In the pending bookings, we have 10,000 units of XL6, 36,000 units of Grand Vitara; around 30,000 units of the Jimny (to be launched in June first week); around similar numbers for the newly launched Fronx; 60,000 units of Brezza and around one-lakh bookings of the Ertiga. For Ertiga, around 65,000 units of the pending bookings are of CNG variant," Srivastava said.

CHIP PROCUREMENT

He said the chip shortage is a problem that has affected



IN GREAT DEMAND. Maruti Suzuki has already got more than 30,000 orders for Jimny, to be launched on June 7

last financial year in a big way when MSIL lost 1.70 lakh units of sales.

In the third quarter, there was a loss of 45,000 units of vehicle sales and 38,000 in the fourth quarter.

In the current financial year also, the company lost sales in April and May, and in the current month, it is expected to lose some sales.

"We will see some improvements going forward from July onwards. But again, the visibility of semiconductor is limited. The problem is also due to the specific chips. There are some generic chips which we can buy from many vendors with some configuration, but there are some specific chips which are actually made to cater to a specific type of model, which is designed

from the ground up. That is not easy to procure," he said.

EFFECT ON JIMNY

When asked about if this shortage is going to impact the delivery of its latest Jimny which is going to be launched on June 7 and MSIL has already got bookings of more than 30,000 units, Srivastava said that the company was continuously monitoring the situation.

He said Jimny is an important product for overall Maruti brand – an accomplished sports utility vehicle (SUV) with four-wheel drive capability that will surely help in MSIL's overall SUV push in the country.

MSIL has invested around ₹960 crore in developing the five-door Jimny.