

SUVs may be 62% of FY25 PV sales

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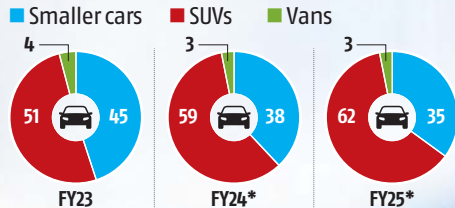
The share of sport utility vehicles (SUVs) in total passenger vehicle (PV) sales in India is expected to grow from 51 per cent in 2022-23 to 62 per cent in 2024-25, a CRISIL Ratings report stated on Monday. PV sales are expected to grow by 5-7 per cent in 2024-25 due to rise in demand for SUVs, it said. In 2023-24, the PV sales growth is expected to be about 6-8 per cent, it added.

Domestic PV wholesales had increased to 3.89 million units in 2022-23, recording a growth of 26.73 per cent year-on-year (Y-o-Y), according to data by the Society of Indian Automobile Manufacturers.

Last month, Maruti Suzuki India's Executive Director (corporate affairs) Rahul Bharti said during post-Q3 results call with analysts that fall in small car demand cannot be explained by a single phenomenon. "While there are some customers who are skipping the levels, there are many more who are expecting the prices to be more benign and affordable," said Bharti. "We had a price point of ₹2.5 lakh for Alto 800. Now, the minimum price at which you can buy a car in India is above ₹4 lakh. And, even at that price point, not much sale happens." Bharti said the company was waiting for the income growth in that consumer segment to catch up to the price point.

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% share in total passenger vehicle sales



Note: *Estimates by CRISIL; smaller cars include sedans, and hatchbacks

Source: CRISIL

