

Carmakers cheer as sales jump in festival season

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Mumbai, 26 October

The month-long festival season that ended on Wednesday brought cheer to passenger vehicle makers as sales rose, buoyed by strong demand.

Consumers usually make big-ticket purchases during the season, which begins with Onam and peaks with Navratri and Diwali, and it is critical for automotive companies as it accounts for as much as a fourth of annual sales.

The top four carmakers, which have an 80 per cent share in the market, saw retail sales or deliveries to customers grow in high double digits compared with last year, officials at these firms said. If not for the still low supply of semiconductors, it would have been a record-breaking season, the firms said.

Unlike last year, when sales were hit because of an acute shortage of

SMOOTH RIDE YoY change

Maruti Suzuki

190,000 units

up
64%

Hyundai Motor India

65,000 units

up
21%

Tata Motors

up
43%

Mahindra & Mahindra

2.5x jump



Festival period

September 26 to
October 26 this year

Source:
companies,
industry

chips, improved availability helped firms ramp up production and meet the strong demand.

Deliveries of market leader Maruti Suzuki India rose to 190,000 units compared to 130,000 units last year. This, however, was still lower than the 205,000 units sold

in pre-Covid 2019, said Shashank Srivastava, executive director at the firm.

Hyundai Motor India reported a 21 per cent year-on-year (YoY) increase in deliveries at 65,000 units, said Tarun Garg, director of sales and marketing. Turn to Page 7 ▶

towards the commercialisation of the variety.

Opposing views

The SJM said it was hopeful that the competent authority for final approval, the minister of environment and forest in this case, wouldn't give the final nod. Meanwhile, the Coalition for GM-Free India said that the approval was shocking. It said GM mustard got to this stage because of collusion between the regulatory body and crop developers in circumventing biosafety assessment in numerous ways.

Recent developments

The GEAC has also approved field trials and NOC of GM potato, rubber and cotton. But, none of the events are related to GM mustard and are part of different agenda items. There is no connection between the two approvals.

Carmakers...

Shailesh Chandra, managing director of Tata Motors Passenger Vehicle and Tata Passenger Electric Mobility, said the company was "delighted with the growth this festive season". Though it did not provide numbers on units sold, the firm said deliveries more than doubled during Dhanteras. "For the festive period so far, our retail growth has been 43 per cent in FY23, compared to last year. Demand has been well supported this year with a significant ramp up in supply," said Chandra. The relatively higher supply of chips also aided Mahindra and Mahindra. "This year, overall festive numbers are about 2.5 times [higher than] last year's. This is largely on account of both stronger demand and our ability this year to manage the supply chain challenges," said Veejay Nakra, president of the automotive division at the firm.

Srivastava cautioned though that bookings may not provide a complete picture and the trend will become clearer once production normalises. High inflation, lower-than-expected GDP forecast, and an

impending hike in borrowing rates could weigh on demand, he added.

Centre...

Besides, the ministry is also working on tweaking the eligibility criteria mandating four technical members apart from the chairman who are or have been commissioners of state tax or central tax for at least one year, the official said. The NAA was set up for two years till November 2019 to ensure any reduction in tax rates on any supplies of goods or services or input tax credit benefits. However, the tenure was extended till November 30, 2022.

"While ideally GST price changes and ITC matters should be left to market forces, it is necessary to have a well-defined permanent structure to take care of any matter that may involve profiteering from a GST perspective and a reference to the CCI as a body may help in that aspect," said M S Mani, partner, Deloitte.

"All pending cases require to be disposed of by November while those which remain may be referred to the CCI," the official cited above said.

Earth...

Climate scientists estimate that human-caused greenhouse gas emissions need to halve by the end of this decade, and to be eliminated by mid-century in order to keep warming below 2°C by 2100. While the consequences of planetary heating above that threshold are deemed to be catastrophic, today's warming of 1.1°C above pre-industrial times has resulted in irreversible changes, according to the latest report from the UN Intergovernmental Panel on Climate Change. If all plans to cut greenhouse gas emissions are fulfilled, global emissions will total 52.4 billion metric tons of carbon dioxide equivalent in 2030, down 0.3 per cent from 2019 levels.

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