

SAMIL

NEWSWRAP

VOL. 03, JULY 2022

TOP 25 HIGHEST SELLING CARS AND SUVs - JUNE 2022



The top 25 cars that fall into this list form around 75% of the total cars sold in India in the month of June. Indian automotive manufacturers sold a total of 2,43,169 units in June out of which 1,06,528 units were hatchbacks. Next in line are SUVs with 75,986 units sold in June 2022. After SUVs, MPVs which are actually gaining more traction with 32,997 units. Sedans are a dying breed, sold 17,528 units and then came vans with 10,130 units.

DOMESTIC TRACTOR SALES FALL BY 14.42% IN JUNE 2022

The total domestic tractor sales decreased by 14.42% in June 2022. The sales were 94477 units in June 2022 against 110395 units in June 2021. Following, a complete brand wise domestic tractor sales report for June 2022. With good prices for Rabi output, cash flow with farmers is good. Government's approval of an increase in MSP for all Kharif crops and forecast of a normal monsoon is very positive for a bumper Kharif crop. Though Kharif sowing is lagging in the first fortnight of the season than last year due to deficient rainfall in key kharif states, further advancement of Southwest monsoons across the country brings in positive sentiments and is likely to boost the tractor demands in the coming months.



SAMIL LEADERSHIP TEAM MEET Q2 2022



Shriram Automall India Limited is continuously striving to improve customer experience and set new records in the pre-owned Automobile industry. Together, we are working towards upcoming challenges, to take on the next quarter with full focus and enthusiasm. SAMIL leadership has reviews the past performance and have created new plan for the challenges of the next quarter. We can expect far greater results in the coming months.

SAMIL EXPANDED REACH WITH THE INAUGURATION OF BAREILLY AUTOMALL



Shriram Automall inaugurated state-of-the-art facility in Bareilly as a part of strategic expansion plan for the year 2022. The all-new Automall will serve growing demand of pre-owned vehicles and equipment in Bareilly and nearby areas. The facility promises complete solutions of pre-owned vehicles and equipment related needs of fleet owners, transporters, dealerships, manufacturers and individual buyers in the area. Available in the facility will be wide range of pre-owned cars, different types of commercial vehicles, construction equipment, farm equipment, three-wheelers, two-wheelers and more, which are the need of the hour in the targeted region.

JUNE 2022 CAR SALES SNAPSHOT

Around 3,20,609 passenger cars were sold in the Indian market for June 2022. The sales grew over 25% when compared to June last year. Industry recorded its second highest monthly volume in June'22 for 2022! It also crossed 3 Lakh dispatch figure for the third month in this calendar year. The dispatches of all OEMs were on a positive side apart from the market leader Maruti Suzuki. The increased dispatches are a sign of easing semiconductor supply and OEMs ability to manufacture more cars. It is also essential that the automakers gear up and ensure production is readied for the upcoming festive season.



AUTO PLAYERS BATTLE FOR GLORY IN THE COMPACT SUV SEGMENT WITH NEW LAUNCHES

The compact sports utility vehicle (SUV) is going to be a very competitive segment in the automobile industry in the coming months as there are around 10 models competing with each other in the market right now, with companies launching new as well as full model changes to the existing ones. The size of the entry SUV segment was 5% in 2016, it has grown up to 22% till 2021. It is the largest segment in the auto industry, overtaking the premium hatchback segment at 21% last year, which used to be 23% of the overall market for the last five years. In April-May 2022-23, the compact SUV segment grew by 26% year-on-year to 1,04,553 units as compared with 83,099 units in April-May 2021-22. The driving force for the compact SUV is the convenience factor whether it is in driving, higher stance, seating space, functionality and apart from design and looks.



EVERY VEHICLE BRINGS MORE MONEY NOW TO CARMAKERS



The total industry volume for the passenger vehicle market must have dropped to a decade low in FY 2020-21, but higher price realisations have meant revenues for top car makers have returned to pre-Covid levels. The shift towards higher-priced vehicles and SUVs has meant that the lower market share companies such as Hyundai and Kia are making more revenue per vehicle. In FY 2021-22, Maruti Suzuki despite selling 11% lower volumes than in FY 2018-19, had delivered almost similar revenue, whereas Tata Motors which has a strong tailwind in its volumes, saw its revenue double since FY 2018-19, even as the volumes grew 76%.

JUNE 2022 SAW 27% GROWTH IN VEHICLE RETAIL SALES

We are happy to see every vehicle segment in the green zone in June 2022. Overall, retail vehicle sales grew by 27% in June 2022 compared to June 2021. However, sales are yet to reach the pre-covid-19 level. Overall, retail vehicle sales declined by -9% in June 2022 compared to June 2019.



**CHIP SUPPLIES IMPROVE,
PASSENGER VEHICLES
WHOLESALE LIKELY TO
BENEFIT**



Due to the improvement in semiconductor chip supply, passenger vehicles (PVs) sales may have benefitted in the month of June in what could turn out to be the best ever June for wholesale. Demand trends for PVs have remained resilient despite the price increase undertaken due to pent-up demand. Overall, two-wheelers, PVs, 3Ws, CVs, and tractors wholesale volumes are expected to grow by 7.0%, 19.5%, 4.0%, 65.5% and 3.0% year on year respectively.

**THREE WHEELER SALES
TRIPLES IN JUNE 2022**

Three-Wheeler sales in June 2022 is up 212.45% at 46,040 units, up from 14,735 units in June 2021. Bajaj Auto takes the lead and crossed 11,000+ units in June 2022. The reason being the complete culmination of covid related restrictions and last mile cargo delivery is cost-effective by three-wheelers when compared to other modes of transport. As a steady rise in the three-wheeler sales numbers is seen, we expect the future is bright for the three-wheelers industry.



**VEHICLE RETAIL SALES GREW BY
64% IN Q1, FY 2022-23**

The month of June has been a fruitful month of 2022 when it comes to overall car sales in India. According to FADA, overall retail vehicle sales grew by 64% in Q1, FY 2022-23 when compared to Q1, FY 2021-22 which saw intermittent lockdowns but still need to catch up when compared to Q1, FY 2019-20 comparing to which the FY 2022-23 numbers are still 8% below the mark. Although few passenger vehicle categories are consistently showing recovery but full recovery is yet to be witnessed when compared to pre-covid times.



**GOVT PROPOSES FUEL EFFICIENCY NORMS
FOR TRUCKS, BUSES FROM APRIL '23**

From April Next Week, all types of buses and trucks would have to comply with the fuel consumption standards and fuel consumption target, which will help buyers know about the fuel efficiency of such commercial vehicles. This will also pave the way for making heavy-duty trucks and buses less fuel guzzler. The new norms will compel manufacturers and importers to make or bring fuel-efficient vehicles into the Indian market. Trucks and buses account for at least 70% of diesel consumption in the country.



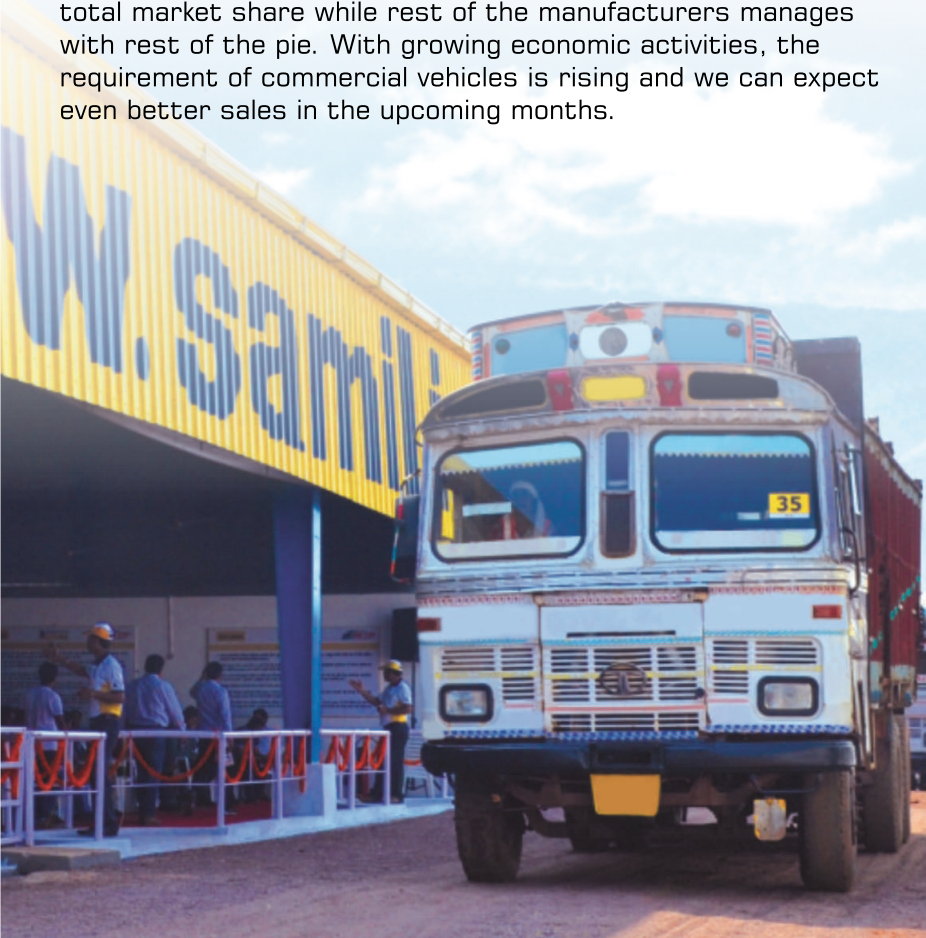
EV SALES TO HIT 8L-9L UNITS THIS FINANCIAL YEAR 2022-23



India's EV sales are all set to hit 800,000-900,000 units this financial year a trebling of numbers from 340,000 units in FY2021-2022. Other than the fires everything that had to happen right has happened right with petrol prices going northward, critical mass of EV sales, new products with good range and customers getting the courage to utilise the EV and expect a 3x to 4x growth this year with sales hitting 8,00,000-9,00,000 units up from 3,40,000 units last financial year. Despite the fire, there is still a 45-60-day wait list for electric two wheelers and all the big companies have 5,000-10,000 units sitting in order books. Sales of electric two wheelers, three wheelers, buses, cars and other vehicles almost doubled twice over in the January-May period from 78,903 units in 2021 to 3,17,890 units in 2022. The stats do not take into account e-rickshaws and low speed bikes that do not require registration, so the final numbers added to the EV pool is actually larger.

COMMERCIAL VEHICLE SALES JUMPED 89% IN JUNE 2022

Indian commercial vehicle sales in June 2022 has shown a significant year-on-year growth of 89%. June 2021 sales numbers were 35,810 which grew to healthy 67,696 units in June 2022. In the pack of manufacturers, Tata Motors, Mahindra & Mahindra and Ashok Leyland occupies nearly 80% of total market share while rest of the manufacturers manages with rest of the pie. With growing economic activities, the requirement of commercial vehicles is rising and we can expect even better sales in the upcoming months.



PV SALES, JUNE 2022 SEES POSITIVE GROWTH



Indian Cars sales in June 2022 turned out to be positive in both year-on-year and month-on-month numbers. June 2021 recorded 2,55,673 units while June 2022 charted 3,20,846 units leading to a growth of 25.49%. On the other hand, May 2022 recorded a total car sales of 2,94,342 units with a 9% rise in monthly sales. This strong sales of cars is a good sign for the Indian passenger market despite the semiconductor shortage issues.

HEALTHY GROWTH SEEN IN TWO-WHEELER SALES IN JUNE 2022

Two-wheeler sales in June 2022 stood at a total of 11,19,096 units, a change of 20.23% compared to June 2021 when the industry sold 9,30,825 units in total. Hero MotoCorp leads the segment in sales, followed by Honda in second and TVS in third. The two-wheeler industry is still far behind when compared to the pre-covid numbers as prices in the mass-market two-wheeler segment is rising at a faster rate.

