

An aerial photograph of a parking lot with several cars parked in rows. The cars are in various colors including red, silver, black, and blue. The text is overlaid on the left side of the image.

INDIAN AUTOMOTIVE INDUSTRY

Market Report
/ FY 2022

ENERDYNE

While the domestic automotive sales grew by 7% during the Financial Year 2022 (April'21 to March'22), sales have been down 25% as compared to the pre-COVID levels of FY 2020.

The FY'22 saw two COVID waves in India - one in April'21 and the other in Jan'22 – both these waves impacting the urban as well as rural markets with lockdowns and loss of productivity.

Though demand remains high in passenger car segment, waiting periods are long with

continued delays in semiconductor supplies.

Recent war in Europe and severe lockdown in China have further affected supplies, pushed up fuel and raw material prices and added an element of uncertainty that has led most automotive players to remain cautious about demand prospects for the immediate future.

In the last month of the FY – March 2022 – all segments, except for three wheelers and commercial vehicles were in red.

All India Vehicle Retail Data for March'22

CATEGORY	MAR'22	MAR'21	YoY%	MAR'20	%Chg, MAR20
2W	11,57,681	12,06,191	-4.02%	18,47,314	-37.33%
3W	48,284	38,135	26.61%	77,184	-37.44%
PV	2,71,358	2,85,240	-4.87%	2,18,076	24.43%
TRAC	63,920	69,602	-8.16%	53,477	19.53%
CV	77,938	67,828	14.91%	1,16,817	-33.28%
LCV	45,945	38,740	18.60%	70,653	-34.97%
MCV	4,188	4,682	-10.55%	8,352	-49.86%
HCV	24,169	18,699	29.25%	33,563	-27.99%
OTHERS	3,636	5,707	-36.29%	4,249	-14.43%
TOTAL	16,19,181	16,66,996	-2.87%	23,12,868	-29.99%

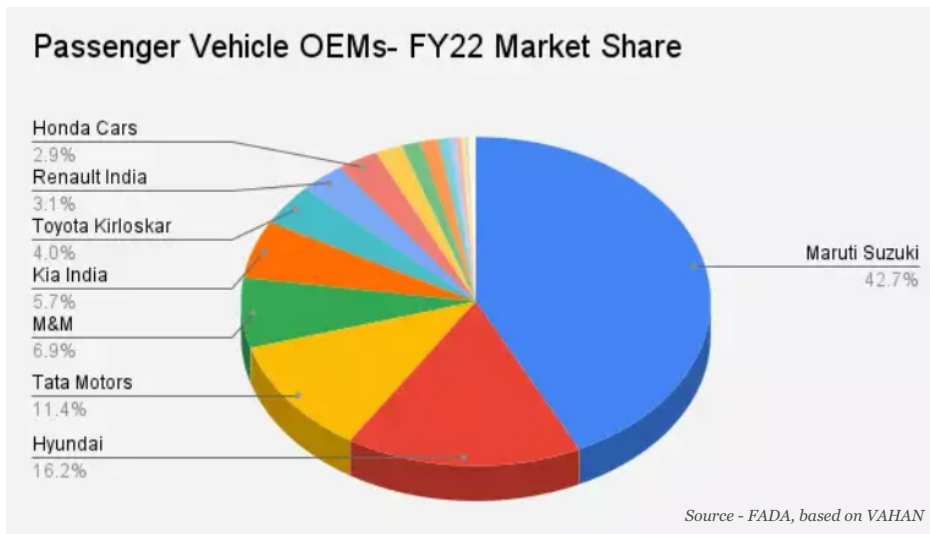
PASSENGER VEHICLES

While India's two largest car makers – Maruti Suzuki and Hyundai – both reported overall increase in retail numbers, they lost market share in FY 22 to the Indian OEMs – TATA and Mahindra.

The market share of Maruti came down to 42.75% in FY22 from 48.71% in FY 2021

(losing 6%) while Hyundai Motors market share came down to 16.24% from 17.36%.

At the same time, Tata Motors market share grew from 7.87% to 11.45% (312,088 units in FY 22 as compared to 187,974 units in FY 21). Mahindra & Mahindra also grew their market share from 5.35% to 6.86%.



FADA (Federation of Automotive Dealers Association) expects the passenger car sales to cross the mark of 3 million units in 2023.

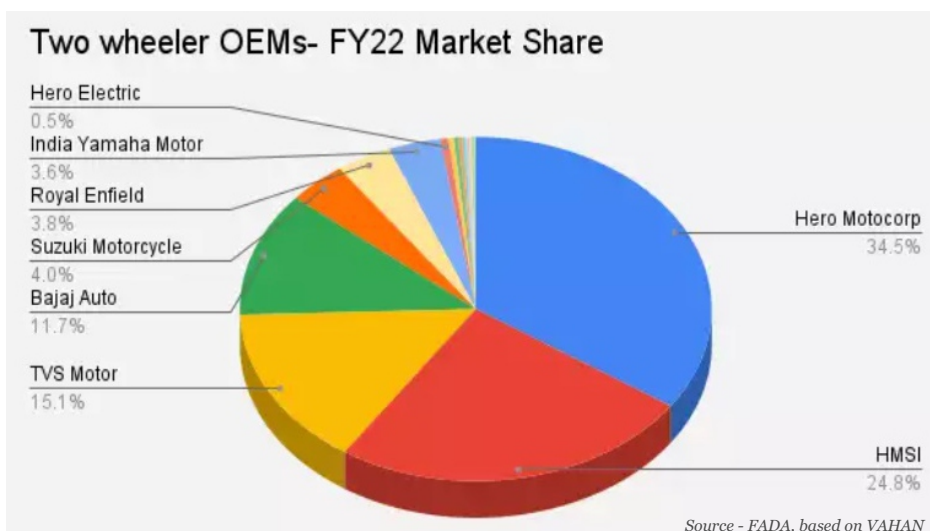
TWO WHEELERS

India is the world’s largest manufacturer of two wheelers and the two-wheeler segment is a key component of the automotive market, comprising about 73% of all automotive sales. Of this, motorcycles comprise 70% share.

With rise in costs and fuel prices badly impacting both rural and urban demand, two-wheeler market has been more severely affected than the passenger car segment.

Full recovery is not expected during FY 23 and nobody expects the sales to peak anytime soon.

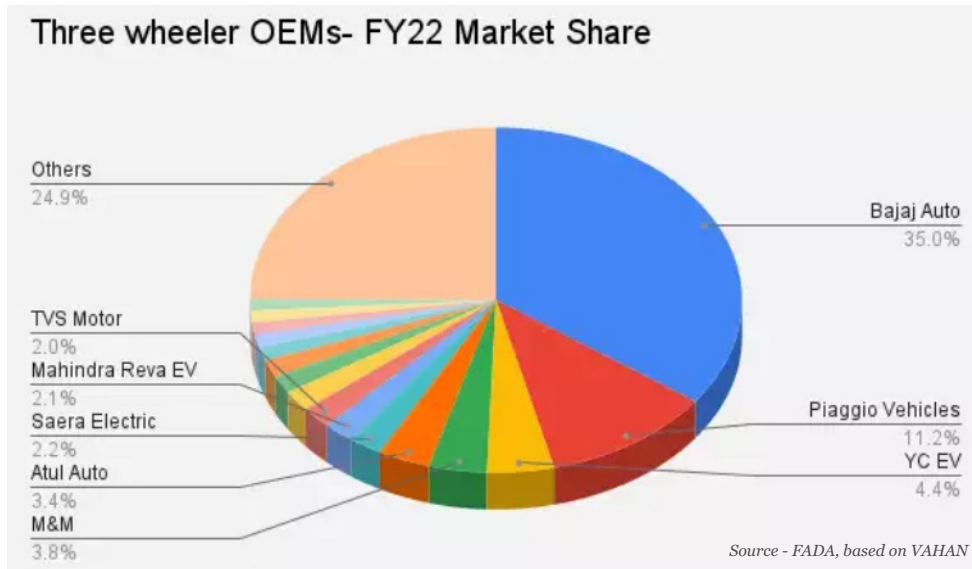
However, the electric bike category is expected to grow exceedingly well, with several players entering the market. Sales of electric bikes stood at 231,000 units in FY 22 and is expected to reach 500,000 units during FY 23. With increasing capacities, it may even reach the 1 million mark.



THREE WHEELERS

There is a big shift to CNG and electric occurring in this segment. The biggest player in this segment - BAJAJ AUTO - lost 2% market

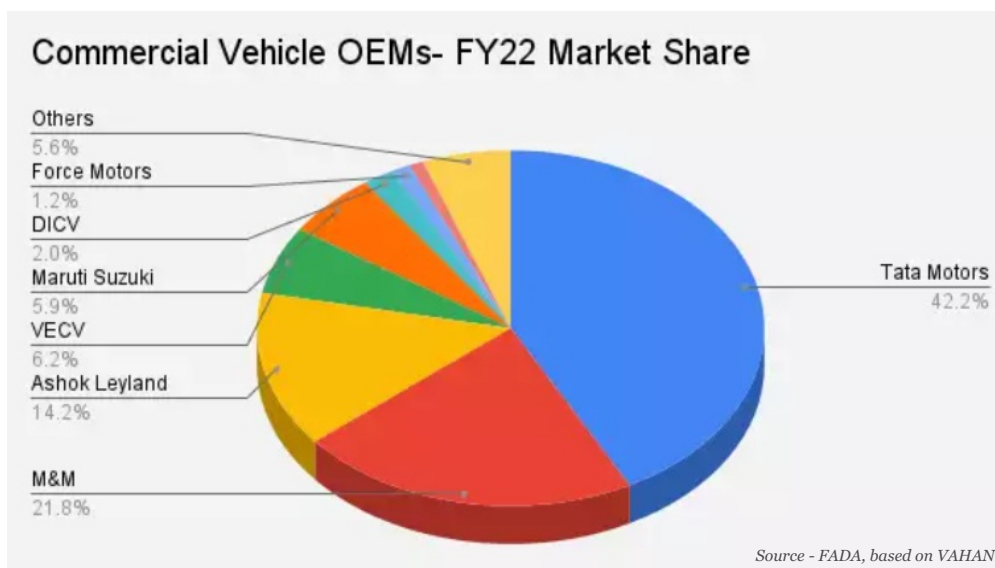
share while Piaggio Vehicles dropped down to 11.23% from 18.33% (43,591 units sold in FY'22 as compared to 47,323 units in FY'21).



COMMERCIAL VEHICLES

This has been the only segment that recovered and grew during the year. Tata Motors – the biggest player in the segment – increased their

market share by 6%, reporting retail sale of 275,830 units in FY 22 as compared to 163,171 units sold in FY21.



TRACTORS

Market share of OEMs did not change much, as compared to last fiscal year. Rural economy is still very important for India and as per FADA

estimates, sales of tractors will be around 650,000 units during the FY 23.

