



India Light Vehicle Sales Update

May 2021





LMC Automotive

LMCAutomotive provides the highest quality global sales and production forecasts for Light Vehicles and Medium and Heavy commercial vehicles, along with forecasts of engine and transmission supply and demand.

Recognised as leading experts in forecasting, LMC Automotive provides the automotive industry with strategic insights unavailable elsewhere.

Our regular forecasting products include:

- Light Vehicle Sales Forecasts
- Light Vehicle Production Forecasts
- Light Vehicle Powertrain Forecast
- Automotive Market Updates and Forecasts (China, India and ASEAN)
- Global Light Vehicle Forecast
- Global Commercial Vehicle Forecast
- Hybrid & Electric Vehicle Forecasts
- Global Automotive Scenarios Service
- European Trade & Inventory Service

LMC Automotive has offices worldwide, as well as representation through MarkLines in Tokyo and CARCON in São Paulo.

More information on LMC Automotive and our forecasting services can be found at the end of this report or at www.lmc-auto.com

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India Light Vehicle Sales Update

COVID-19 Impact: 2021 Outlook Slashed

The Indian market's sales momentum continued, as total Light Vehicle (LV) sales improved over the four preceding months to register 369k units in March. This total was also two and a half times higher than in March 2020, when the start of the COVID-19 pandemic and subsequent localized lockdowns began to hurt volumes.

Passenger Vehicle (PV) sales during the month surged by 128% year-on-year (YoY) to 312k units, while the tally of Light Commercial Vehicles (LCVs) with GVW of up to 6 tonnes was at 57k units – almost five times more than in March last year.

The March selling rate was 3.84 mn units/year, down by nearly 5% from a strong February, but still a robust rate.

Total LV sales between January and March of this year reached 1.06 mn units (+41% YoY), consisting of 905k PVs (+43% YoY) and 157k LCVs (+30% YoY). The selling rate averaged 3.94 mn units/year during the quarter.

In addition, data from the Federation of Automobile Dealers Associations (FADA) indicate that PV and LCV retail sales climbed by 10% YoY to 318k units in March. Meanwhile, the average PV inventory in India has been stable over the last three months, at 10-15 days. However, the onset of localized lockdowns is likely to have raised days' supply in April.

“Global shortage of wafers which is an input for semiconductor, continued to linger around and kept PV waiting period as high as 7 months. According to FADA Survey, 47% PV dealers said that they lost more than 20% sales due to supply side constraints,” said FADA President Vinkesh Gulati.

The month of April was supposed to continue the sales recovery, supported by festivals, as well as the marriage season, but the skyrocketing number of COVID-19 cases and the collapse of the fragile medical system have forced many local governments to impose lockdowns. Unsurprisingly, advanced data suggest that 275k PVs were sold during April.

Moreover, several state governments have extended their lockdowns, which were initially planned to last one to two weeks. Even though these measures are not expected to have as big an economic impact as that inflicted by the nationwide lockdown last year, there is no doubt that the latest outbreak and restrictions will undermine consumers' willingness and ability to buy new vehicles. They also threaten jobs and incomes.

Note also that most OEMs, including Maruti-Suzuki, raised vehicle prices in January 2021 and again in April to offset rising input costs (such as steel, precious metals and aluminum). As input costs continue to rise, there may be another round of price hikes in the coming months, thus presenting a further negative factor for vehicle sales at a time when the pandemic is raging across the country.

The out-of-control pandemic also resulted in India's 2021 GDP growth forecast being cut to 10.2%, from 11.8% previously, with the risk still skewed to the downside.

With the above factors in mind, we had little choice but to cut the 2021 LV sales forecast by about 300k units. We reduced our estimates for April-July by a total of 359k units. The impact of these cuts is more pronounced in April and May, with the outlook for each month lowered by about 130k units on average.

Based on the assumption that the infections will subside by the summer, we have raised the forecast for August-December as catch-up demand should boost sales. The progress in the vaccine rollout should help the recovery later this year, too.



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Our revised 2021 LV sales outlook is at 3.90 mn units (+39% YoY), versus 4.21 mn units (+50% YoY) in the previous report. The 2022 forecast is unchanged, however, as we do not think that lost sales in 2021 will be recovered next year, given that slower income growth and rising vehicle prices are likely to dent consumer purchasing power. Nor did we make any major change to the rest of our forecast.

India Light Vehicle Sales Update

Market Top Lines						
	Mar	Growth	YTD	Growth	2021	Growth
Sales	368,831	149%	1,142,288	43%		
PV	311,514	128%	904,788	43%	3,307,107	41%
LCV	57,317	381%	156,966	30%	597,837	30%
M&H CV	N/A	N/A	80,534	66%		
Production	426,680	94%	1,286,940	30%		
PV	364,385	81%	1,025,813	26%	3,859,926	40%
LCV	62,295	230%	173,562	31%	627,993	31%
M&H CV	N/A	N/A	87,565	96%		

Best Selling Models						
	Mar	Growth	Share	YTD	Growth	Share
PV						
Maruti-Suzuki Swift	21,714	153%	7%	59,158	25%	7%
Suzuki Baleno	21,217	86%	7%	57,935	20%	6%
Maruti-Suzuki Wagon R	18,757	105%	6%	54,650	28%	6%
LCV						
Maruti-Suzuki Eeco	11,547	94%	20%	35,118	19%	22%
Mahindra Bolero Pickups	15,331	932%	27%	31,775	40%	20%
Tata Ace	11,690	1984%	20%	31,631	73%	20%

Top Brands (Sales)						
	#	Brand	Mar	Growth	YTD	Growth
Passenger Vehicle	1	Maruti-Suzuki	101,855	93%	306,054	20%
	2	Hyundai	52,600	100%	156,205	44%
	3	Suzuki	32,801	89%	88,794	35%
	4	Tata	29,654	422%	83,857	162%
	5	Kia	19,100	123%	54,858	40%
	6	Mahindra	16,643	425%	52,521	57%
	7	Toyota	14,997	114%	40,192	73%
	8	Renault	12,356	278%	31,608	59%
	9	Honda	7,103	92%	27,746	71%
	10	Ford	7,746	120%	17,662	15%
	11	MG	5,528	264%	13,459	123%
	12	Nissan	3,128	365%	9,563	647%
	13	Volkswagen	2,025	1446%	6,252	294%
	14	Mercedes-Benz	1,160	74%	3,193	34%
	15	Škoda	1,165	158%	3,022	-1%
	16	Jeep	1,496	807%	2,993	94%
	17	Datsun	884	478%	2,714	37%
	18	BMW	760	7%	1,985	-16%
	19	Audi	93	60%	962	171%
	20	Land Rover	164	69%	499	-17%
Commercial Vehicle	1	Tata	19,009	1005%	53,151	52%
	2	Maruti-Suzuki	14,862	122%	44,757	35%
	3	Mahindra	16,557	572%	38,414	-5%
	4	Ashok Leyland	5,362	2036%	16,544	118%
	5	Force	885	86%	2,486	-26%
	6	Eicher	362	475%	897	41%
	7	Isuzu	280	32%	717	-7%

Top Manufacturers (Production)						
	#	Manufacturer	Mar	Growth	YTD	Growth
Passenger Vehicle	1	Maruti Suzuki India	121,626	80%	356,685	21%
	2	Hyundai Motor India	66,800	66%	186,900	33%
	3	Suzuki Group	36,519	109%	99,878	23%
	4	Kia Motors India	23,964	88%	62,920	37%
	5	Mitsubishi	25,118	59%	62,092	17%
	6	Tata Motors	21,612	168%	59,877	102%
	7	Mahindra	19,186	259%	59,830	65%
	8	Honda Cars India	9,008	153%	30,133	92%
	9	Tata-Fiat	10,077	130%	28,504	93%
	10	Ford Group	9,673	-23%	23,938	-48%
	11	Toyota Kirloskar India	8,508	22%	22,897	13%
	12	Škoda-Volkswagen	5,350	38114%	14,388	46%
	13	SAIC Motor	5,001	151%	12,544	90%
	14	Daimler Group	1,109	107%	3,050	63%
	15	BMW Group	732	9%	1,917	-13%
	16	Volvo Group India	73	35%	202	-43%
	17	Isuzu Motors Limited	29	625%	58	29%
	18	General Motors Group	0	-100%	0	-100%
	19					
	20					
Commercial Vehicle	1	Tata Motors	19,258	764%	53,864	54%
	2	Mahindra	21,195	176%	52,047	7%
	3	Maruti Suzuki India	14,288	91%	45,025	25%
	4	Ashok Leyland	5,412	2174%	17,065	153%
	5	Force Motors	1,019	35%	2,776	-21%
	6	Isuzu Motors Limited	705	66%	1,725	20%
	7	Eicher Motors	418	489%	1,060	67%

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About LMC

For over 30 years, LMC's mission has been to provide the most comprehensive, timely and actionable services to all sectors of the auto industry. Focusing exclusively on this sector, while being highly responsive to our large and growing client base of car and truck makers, component manufacturers and suppliers, and financial and government institutions, has fostered our rapid growth. Today, from offices in all the major automotive markets, LMC provides insights and forecasts for both the Light Vehicle and Commercial Vehicle sectors, with specific emphasis on vehicle sales, production and propulsion systems. Our experts examine global industry dynamics from every angle – be they macroeconomic trends, market and production developments or regulatory and technological changes. These insights are shaped into a comprehensive suite of services that can be tailored to an individual client's needs and are delivered in a range of flexible and sophisticated formats.

As a company, we pride ourselves on the quality of our products, as well as our commitment to customer service. Our team, and our carefully selected partner companies, are dedicated to what they do – bringing the most accurate information to market and helping our clients to gain maximum benefit from our insights.

LMC Automotive is part of the LMC group, originally founded in 1980, which provides market intelligence, analysis and advice to clients around the world involved with agricultural commodities, foods, industrial materials, biofuels and their end-markets. A separate company in the group specialises in the coverage of the rubber and tyre sectors.

LMC Automotive services include:

The **Global Light Vehicle Forecast**. LMC's entry-level service designed for automotive industry executives and decision makers who need to see global coverage of Light Vehicle sales and production in one single publication with detailed forecasts going out seven years into the future, and indicative forecasts for 10 and 15 years. However, the core of the service is the associated database providing sales and production of Light Vehicles, the former by marque and the latter by model. These forecasts are supplemented by detailed reviews of the economic drivers of vehicle demand and of the major OEMs. The service, which is updated quarterly, includes introduction and run out dates for all new models.

The **Global Light Vehicle Production Forecast**. LMC's premium vehicle production forecasting service. Published monthly, forecasts are provided by manufacturer, make, model, model generation, platform, design lead, assembly plant with capacity and utilisation, in monthly, quarterly and annual time slices and with a 7-year forecasting time horizon. These forecasts are supplemented by concise monthly regional commentaries as well as a global snapshot of vehicle production and detailed quarterly reports. As an add-on to these services, forecasts by bodystyle and number of doors are also available.

The **Global Light Vehicle Sales Forecast**. Published in association with *Jato Dynamics Ltd*, this service builds on macro-economic forecasts generated by our partner, the renowned *Oxford Economics*, which, combined with an examination of demographics, fiscal and regulatory influences by LMC's own specialist automotive research team, presents twelve-year forecasts at a global, regional and country level for Light Vehicle demand in 137 countries. In its most detailed form, model level forecasts are updated monthly and are provided in annual, quarterly and monthly timeslices. Quarterly summary reports analyse the current market situation and likely future evolution from the perspective of developments at a country level and from the position of each major OEM.

The **Global Light Vehicle Powertrain Forecast**. This service provides data and 7-year forecasts of powertrain fitment rates and volumes. For each model, LMC provides forecasts of the volumes of each engine, transmission and electrification combination that will be fitted, as well as the total demand for each powertrain. The service is published quarterly, and covers IC, hybrid, full electric and fuel cell propulsion systems. In addition, as an optional add-on, the xEV forecasts are linked to information on the batteries and eMotors which will be fitted to these models.



About LMC

The **Global Hybrid & Electric Vehicle Forecast**. Published quarterly, this service provides a model level forecast of demand for electrified passenger cars and US light trucks in the world's most important vehicle markets with a time horizon of the current year plus 12 years. These forecasts are provided by technology type, from mild hybrids through battery electric vehicles to fuel cell electric vehicles. They are supplemented by market-by-market overviews of the key drivers of vehicle electrification and how these may change over time and OEM-by-OEM profiles detailing, for all major hybrid and electric vehicle producers, their global and local product plans, strategic approach to the sector, vehicle production snapshots and regional highlights. An additional *Battery & eMotor* module is also available.

The **Global Commercial Vehicle Forecast**. This service provides the most comprehensive view of the current state of the medium (6-15t GVW) and heavy (15t+GVW) commercial vehicle sectors of the automotive industry together with detailed twelve-year forecasts of sales and production in quarterly and annual timeslices. Produced in association with *ACT Research*, and covering trucks and buses, this service is published quarterly and offers coverage of all the world's major markets. Updates can also be provided on a monthly basis while Model Line detail is available as a separate module for Western Europe, the Czech Republic and Poland.

The **Automotive Market Reports** are six automotive services specifically addressing the rapidly developing economies in Asia. They include the *Automotive Market Updates*, published monthly and covering China, India and ASEAN, which monitor the latest market developments in these areas; and the *Automotive Market Forecasts*, published monthly and also covering China, India and ASEAN and offering 7-year forecasts of sales, by segment, brand, group and fuel type and production by plant and model.

The **China Medium & Heavy Truck Forecast** provides a clear and concise view of the Chinese medium and heavy vehicle market in a single user-friendly report. The latest registration volumes for medium and heavy trucks are analysed in a comprehensive market overview, with overall sales trends reviewed as well as key structural developments concerning segments and manufacturers.

The **China Monthly Inventory Level Monitor**. By comparing Retail and Wholesale sales numbers, the China Monthly Inventory Level Monitor is able to offer the most comprehensive picture of personal vehicle sales in China and to provide a valuable indicator of future short-term movements in both sales and production.

The **European Light Vehicle Trade & Inventory Service**. Published every month, the aim of this service is to provide an early warning system that highlights risks that emerge from imbalances in supply/demand in Light Vehicles sourced from Europe, for which little published inventory information is available. This unique service provides LMC's estimate of inventory levels, represented by "days' supply" for all sales groups, brands and models and explains what this means for the short-term outlook for vehicle production.

The **European Light Vehicle Trade Flow Forecast**. Published quarterly, this service monitors Light Vehicle sales and their flows within, into and out of Europe. For each model produced at a European plant, the service provides 7-year forecasts detailing the country of final destination and for all European imports, the country and plant of origin. As sourcing patterns shift and new challenges emerge, this service provides detailed statistical data and forecasts essential to plan and react to changing events and is of particular relevance to OEMs, component suppliers, logistic providers and financial planners.

The **Global Automotive Scenarios Service**. Published quarterly in association with our partner, *Oxford Economics (OE)*, this service assesses the impact of a range of plausible scenarios for the global macroeconomic landscape, and the resulting effects on Light Vehicle sales and production over the coming years. Three-to-five different sets of global macroeconomic projections, based on different events or trends, are used, each quarter, to formulate consistent vehicle industry outcomes. The scenarios are delivered alongside the baseline macroeconomic and vehicle industry forecasts for reference.



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The ***Global Commercial Vehicle Powertrain Forecast***. Published in partnership with Knibb, Gormezano & Partners (KGP Auto), this service, which is updated quarterly, takes the 12-year forecasts as provided in the Global Commercial Vehicle Forecast and details powertrain fitment for this sector. Initially focussed on engines, aftertreatment systems and emissions compliance, coverage now includes electrification & decarbonisation of the sector. An additional module is available for transmissions.

In addition to the above services, LMC publishes multi-client studies, which offer comprehensive and systematic analysis of topical automotive industry subjects, and, based on its extensive analysis of the industry, LMC frequently undertakes customised projects on client-generated subjects, such as luxury sales, CO₂ emissions, powertrain strategies and electrification. For further information about our company, its activities and how LMC might help you, please refer to our website (www.lmc-auto.com) or contact us directly at forecasting@lmc-auto.com.



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For experts
by experts