

## FAST FACTS MONTH-WISE COMMERCIAL VEHICLE SALES IN 2015

Company	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
AMW Motors	260	220	210	185	140	124	90	90	50	70	40	37	1,516
Ashok Leyland	9,480	9,615	11,787	7,389	8,205	9,179	10,237	10,255	13,890	8,436	7,979	11,299	117,751
Force Motors	1,584	1,884	2,852	1,411	1,691	1,912	2,250	1,875	1,922	1,852	1,418	1,768	22,419
Isuzu Motors India	103	115	130	51	106	97	117	118	183	132	81	90	1,323
Mahindra & Mahindra	12,946	11,945	14,199	11,329	11,407	11,139	12,148	13,023	14,430	18,756	14,801	12,465	158,588
Piaggio Vehicles	536	540	535	502	326	390	422	187	401	422	388	388	5,037
SML Isuzu	740	933	1,738	874	1,366	1,520	1,011	919	991	751	660	786	12,289
Tata Motors	23,872	24,717	29,833	20,536	21,910	23,448	22,424	22,622	27,325	24,580	23,389	25,781	290,437
VECV - Eicher	2,905	2,774	4,084	3,503	3,617	3,537	3,050	3,009	3,452	3,466	2,905	4,109	40,411
VECV - Volvo	55	100	102	92	73	100	46	100	201	131	105	117	1,222
Total CV sales	52,481	52,843	65,470	45,872	48,841	51,446	51,795	52,198	62,845	58,596	51,766	56,840	650,993



PRIYANK CHHAPRALE

## FAST FACTS CVs EXPORTS IN 2015

Company	CY2014	CY2015	Growth
Ashok Leyland	12,505	12,733	1.82%
Force Motors	275	157	-42.91%
Mahindra & Mahindra	20,111	27,142	34.96%
Piaggio Vehicles	8	35	337.50%
SML Isuzu LTD	347	431	24.21%
Tata Motors LTD	45,943	50,457	9.83%
VECV - Eicher	5,824	5,859	0.60%
Total CVs	85,013	96,814	13.88%

likely witness robust growth in the next decade as the country strives to develop a modern infrastructure spanning the metros, Tier 1, 2 and 3 towns. Recognising the growth potential of India, almost all the major global OEMs have set up base here and are eyeing a slice of the large market.

Home-grown players like Tata Motors (44% market share currently) and Ashok Leyland (18% market share currently) have dominated the market for the past decade and more. The same decade has also seen premium European players like MAN Truck, Daimler Trucks, Scania and Volvo enter the Indian market. This has turned the M&HCV market very competitive, resulting in some very modern trucks and also improved dealer networks and aftersales practices, with a sharp focus on total cost of ownership.

In the domestic market, **Tata Motors** sold 290,437 units in 2015 compared to 286,735 units in 2014 to post just 1.29 percent year on year growth.

**Mahindra & Mahindra**, as a result of its outstanding performance in the small commercial vehicle and pick-up segment, has become the second largest player with a market share of 24 percent in the overall CV segment. During CY2015, the company sold a total of 158,588 units against 160,042 units in 2014.

**Ashok Leyland**, which sold 117,751 units in 2015 as compared to 83,834 units in 2014, recorded strong 40 percent growth. During CY15 the company has registered tremendous double-digit growth in the Medium and Heavy commercial segment (M&HCV).

**VE Commercial vehicle** increased its sales by 18 percent, selling 40,411 units. Clearly, the Eicher Pro Series of trucks is given a new fillip to the company's sales.

**Force Motors** registered 12 percent growth, selling 22,419 units against 19,990 units in 2014.

While most CV manufacturers saw sales growth in 2015, **Piaggio**

is improving profitability of operators due to low diesel prices is expected to boost sales of the M&HCV bus segment.

**FY2016 WILL SEE M&HCV CARGO CARRIER SALES CONTINUE TO GROW DUE TO AN IMPROVEMENT IN INDUSTRIAL GDP AND HIGHER REPLACEMENT DEMAND.**

**Motors and AMW Motors** saw their sales decline by 21 percent and 55 percent respectively. They will be looking to re-invent their growth strategy in 2016.

## LOOKING AHEAD

With Q4 of the fiscal year 2015-16 underway, automakers will be looking to drive gains. However, there are challenges to be faced, even as poor demand from the agricultural sector has kept growth in check. India's Index of Industrial Production (IIP) for November 2015 contracted 3.2 percent compared to 9.8 percent growth in October. Also, the ongoing diesel ban in the Delhi-NCR region will be dampener on sales, at least till March 2016.

SIAM's FY2016 Q3 review, released on January 11, forecasts that 2015-16 will see M&HCV (cargo carrier) sales continue to grow in double digits due to an improvement in industrial GDP and higher replacement demand.

It helped that regulatory changes like ABS

implementation and NGT ban sales led to pre-buying in August and September 2015 and helped boost sales. Meanwhile, sales of tractor-trailers are up due to improvement in passenger car movement, along with demand for supply of steel and cement. The tipper market has recovered due to speedier execution of construction of national highways as also resumption in mining activities in a few mines in Orissa, Karnataka and Jharkhand.

For the bus market, there will be demand for LCV buses from schools and educational institutes while for M&HCV buses, the improving profitability of operators due to low diesel prices is expected to boost sales of this segment.

The LCV goods carrier market, however, is going to see flat demand, due to slow revival in private final consumption expenditure.

Overall, though, CV OEMs are optimistic that growth will come their way this year, across M&HCVs and LCVs, with improved GDP to boot. ■