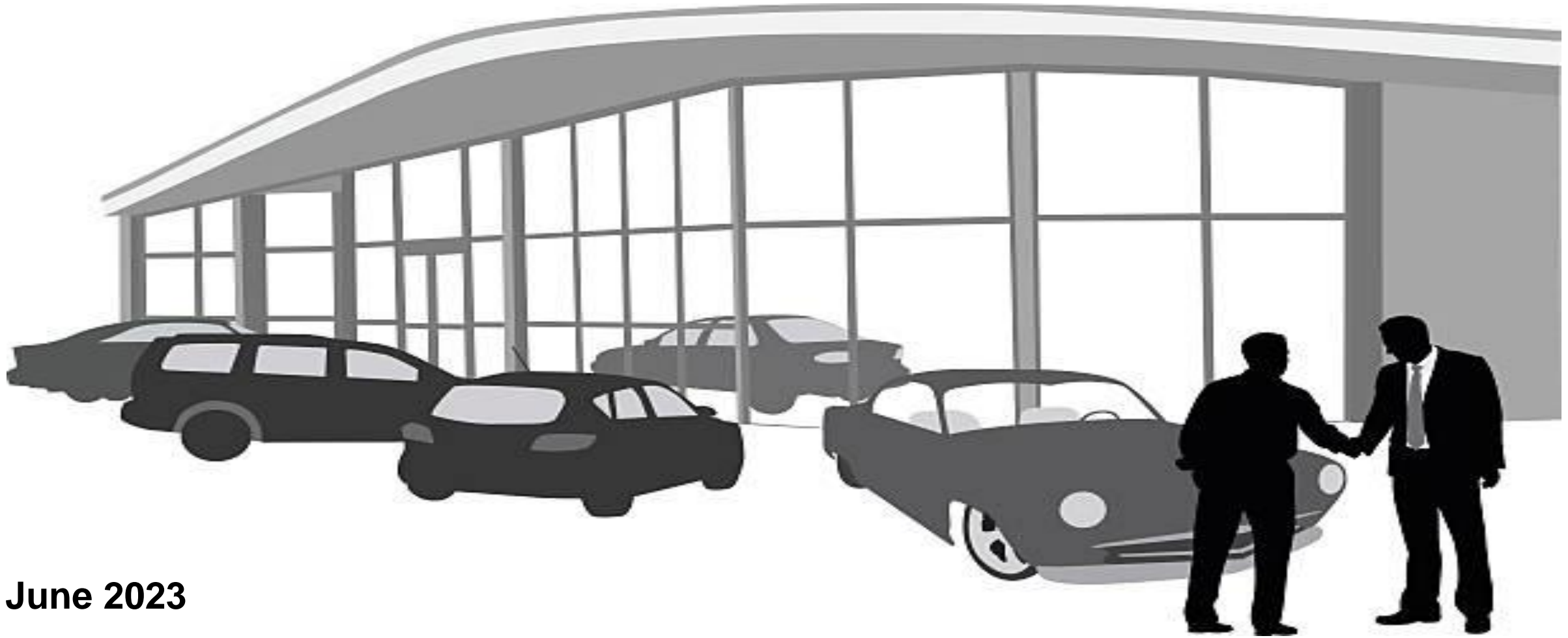


# Monthly trend – Retail versus off-take

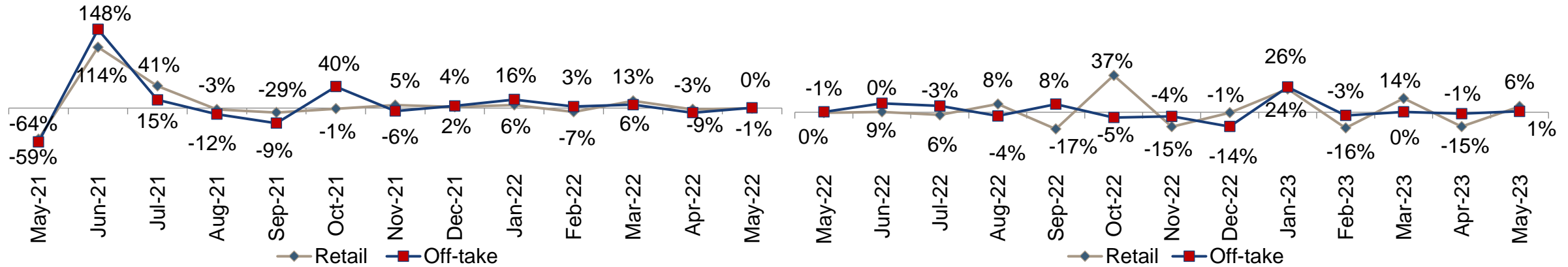


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June 2023

# Sequential improvement in PV retails during May; offtakes remain steady with continued traction for UVs

Passenger vehicle - Retail vs off-take (growth m-o-m)



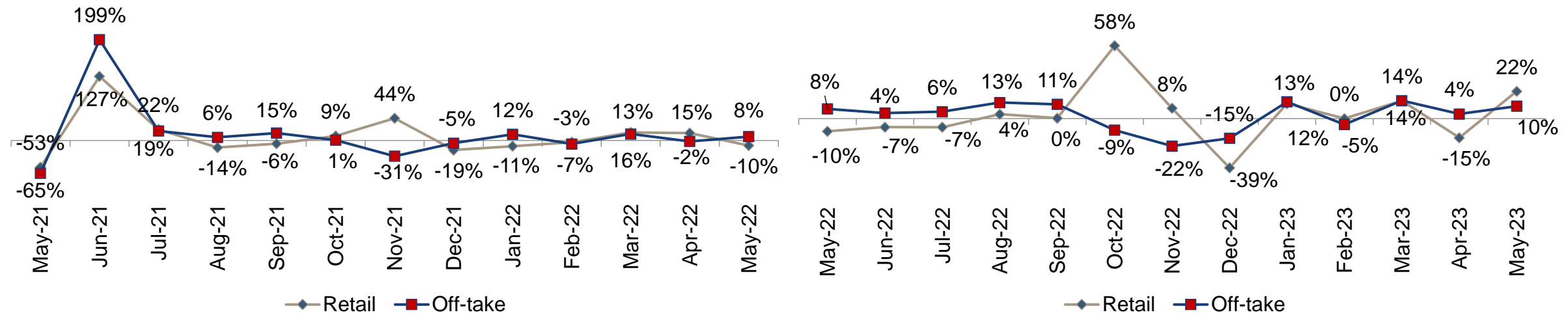
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Source – MoRTH, SIAM, Tata Motors, CRISIL MI&A

- Sequentially, retails grew (from a low base) by 6% in May backed by improved availability, healthy booking pipeline and robust demand for new launches.
- On the other hand, offtakes remained rangebound during May.
  - Premium hatchbacks and MPV offtakes witnessed m-o-m growth while basic hatchback segment offtakes contracted during May
  - Compact UVs remained rangebound
- On a y-o-y basis, offtakes witnessed a 14% growth continuing its positive stride
- Retails also witnessed 10% improvement from last year levels. Improvement in vehicle supply primarily drove this on year growth.

# 2W Retails witness sequential growth from a low base, offtakes clock further growth during May

Two-wheeler - Retail vs off-take (growth m-o-m)

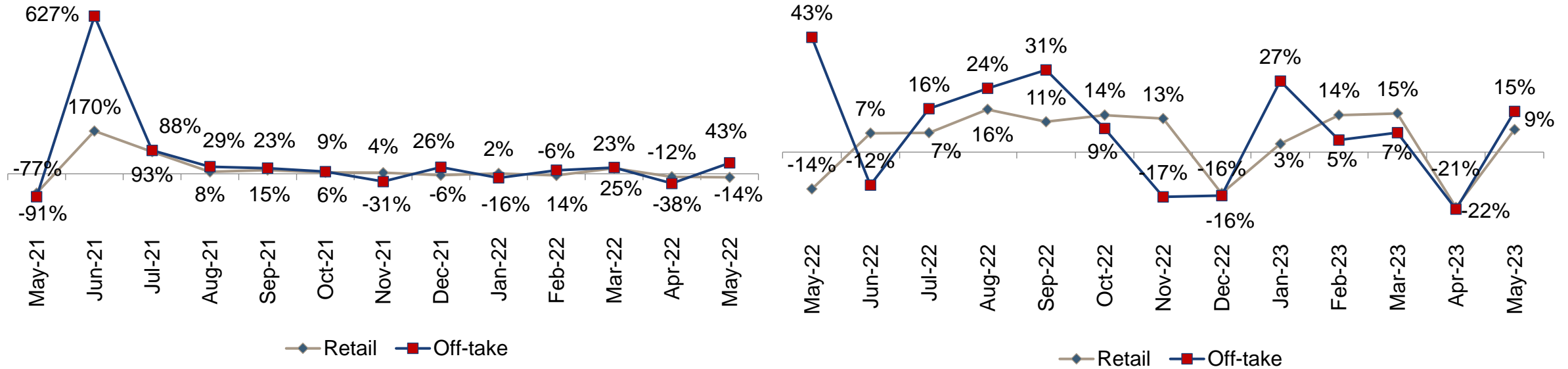


Source – MoRTH, SIAM, CRISIL MI&A

- Off the low base of April, retails grew 22% in May on the back of increased buying activity during wedding season as well as improvement in the rural demand. Due to the increased vehicle prices for BSVI phase 2 implementation, April Retails were impacted
- Sequentially offtake grew 10% further in May.
- Even on a y-o-y basis, retails (25%) as well as offtake (17%) witnessed healthy growth.
- Motorcycle offtakes clocked a faster growth of 21% y-o-y while scooters grew 12%. The smaller Mopeds segment remained rangebound.

# 3W offtakes and retails rise sequentially off the low base, numbers continue to remain healthy compared to last year's

Three-wheeler - Retail vs off-take (growth m-o-m)



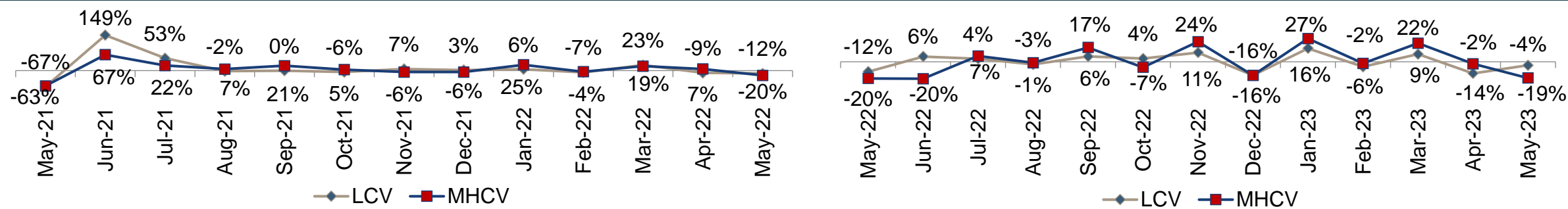
Note: Only ICE vehicle sales have been considered Source – MoRTH, SIAM, CRISIL MI&A

- Retails as well as offtakes got impacted in April amid the transition to BSVI phase 2 and the subsequent price rise
- From this low base of April, retails grew 9% on a m-o-m basis in May supported by some improvement in economic environment
- Offtakes, too, saw 15% m-o-m growth;
- Compared to last year, May 2023 retails and offtakes witnessed a healthy 87% & 62% growth, respectively
- Passenger segment recorded a sizeable 91% y-o-y growth as post pandemic demand accelerated for public transport
- Even Goods segment witnessed growth of 8% as compared to same month of last year

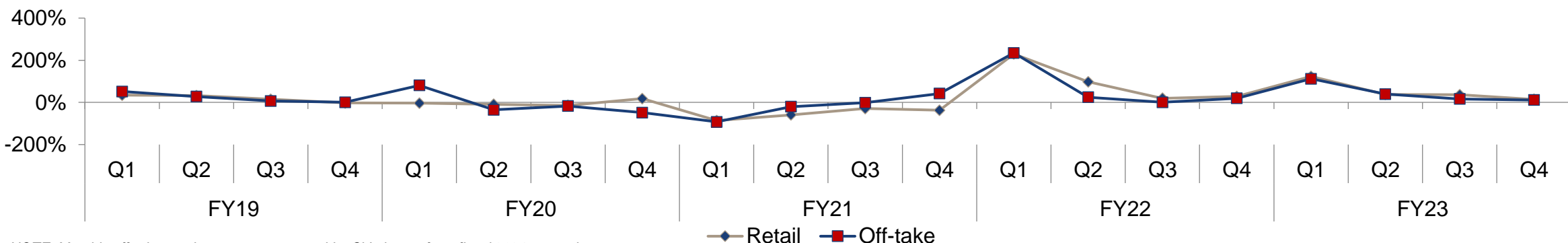
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# Sequential drop in CV retails during May

## Commercial vehicle – LCV & MHCV retail (growth m-o-m)



## CV - Retail vs off-take (growth y-o-y)

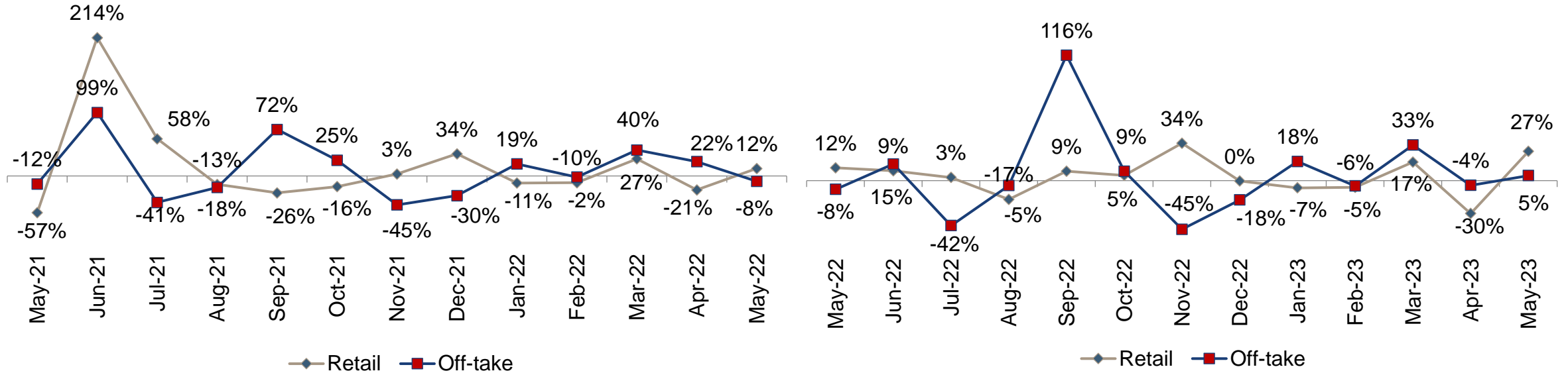


NOTE: Monthly off-take numbers are not reported by CV players from fiscal 2021 onwards  
 Source – MoRTH, SIAM, CRISIL MI&A

- The pre buying before the BSVI phase 2 price hike pushed the retails in March & April; From this higher base of April, CV Retails dropped sequentially in May amidst the price hike undertaken throughout April by various OEMs as well as due to the prebuying done earlier.
- Drop in retails was limited for LCV segment whereas MHCV retails contracted at a sharp pace of 19% during May.
- On y-o-y basis, MHCV sales witnessed a 15% growth, led by pick up in the construction and infrastructure activity during the year, and some improvement in macroeconomic environment.
- Even LCV segment rose 8% y-o-y led by improvement in Agri, Ecommerce as well as passenger segment sales with improved financing options and higher sales to academic institutes

# M-o-m improvement in Tractor sales during May

Tractor - Retail vs off-take (growth m-o-m)



Source – MoRTH, Industry, CRISIL MI&A

- High Rabi crop output, good reservoir level and IMD’s prediction of a normal monsoon led to positive sentiments during May
- Sequentially, retails grew at a healthy pace of 27% and offtake rose by 5% in May from the low base of last month.
- On a y-o-y basis, retails witnessed a similar 28% growth in May while offtake remained rangebound.
- Improved rural income and improved MSP on crops supported the growth during the year.

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