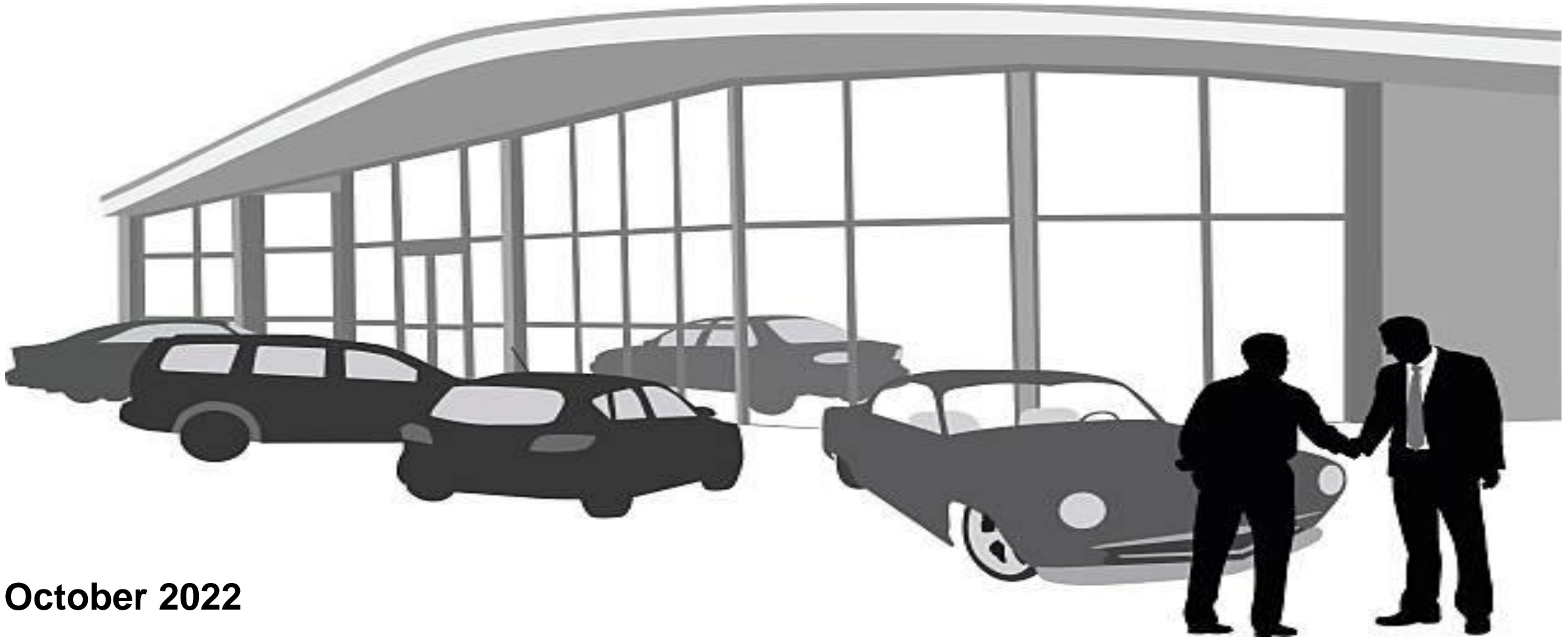


Monthly trend – Retail versus off-take

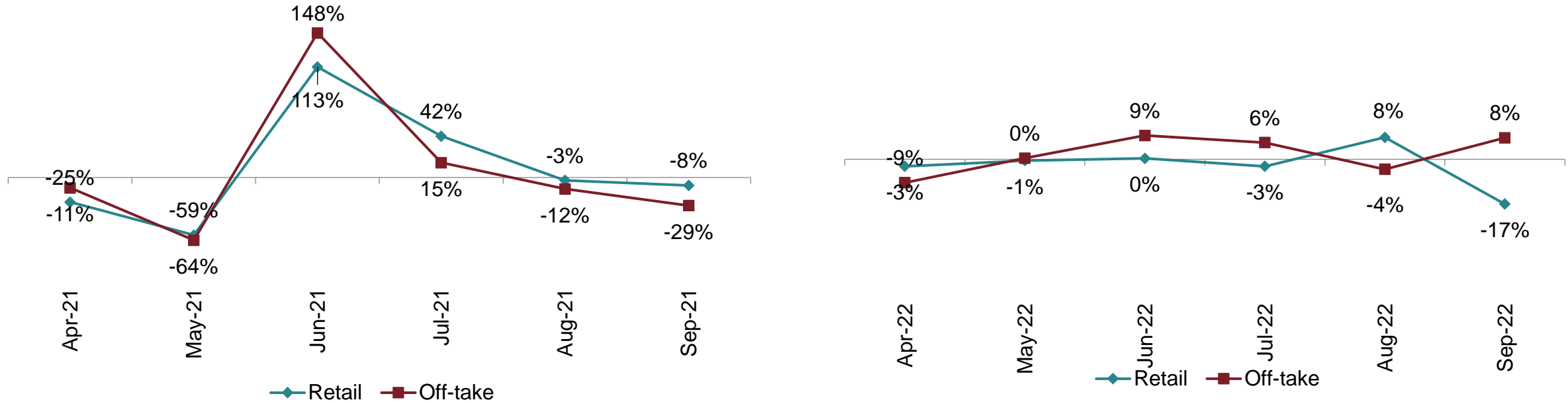


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October 2022

Offtake accelerating ahead while retail in the slow lane

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



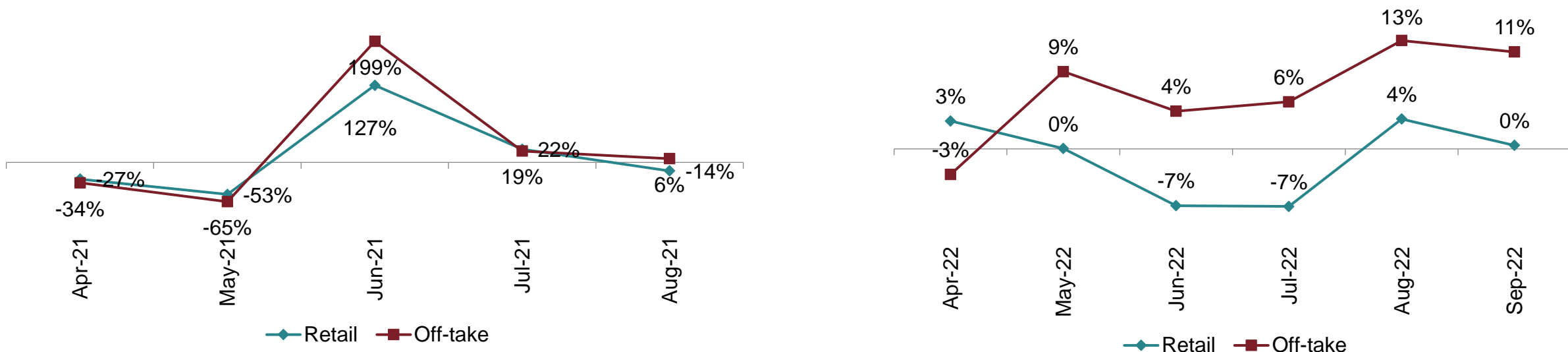
Source – MoRTH, SIAM, Tata Motors, CRISIL Research

- The passenger vehicle industry offtake is estimated to have witnessed 8% month-on-month growth and 91% on-year growth in September 2022 over the low base of September 2021
- Wholesale volumes clocked a healthy rise due to improved production in FY22 as well as inventory built up for festive season.
- Retail sales, on the other hand, dropped from August levels due to the inauspicious *Shraddha* period in September.
- Dealer inventory is currently estimated to be at 30-40 days as of September 2022 which is slightly above normal.

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Two-wheeler wholesale volumes witnessed sequential growth in September 2022

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

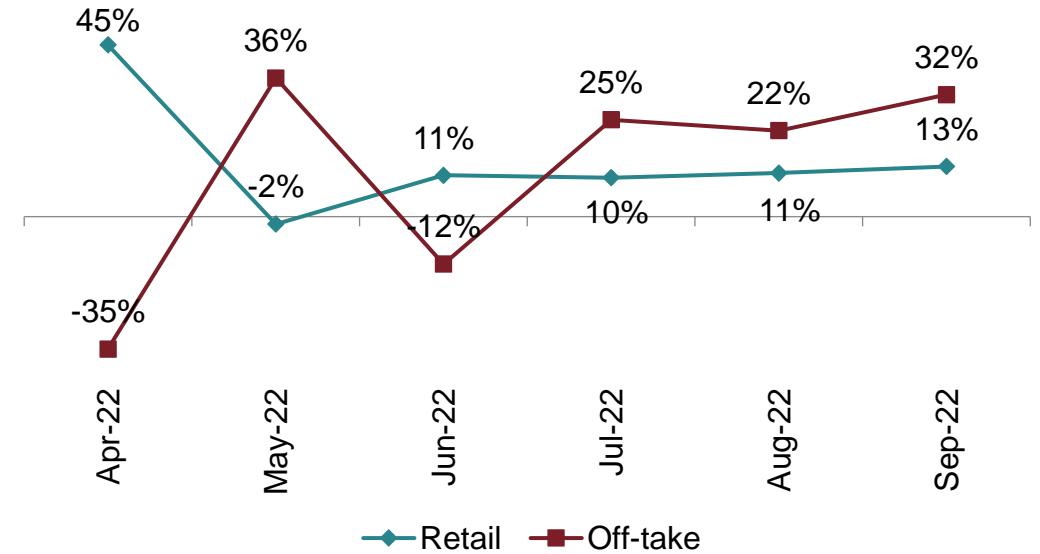
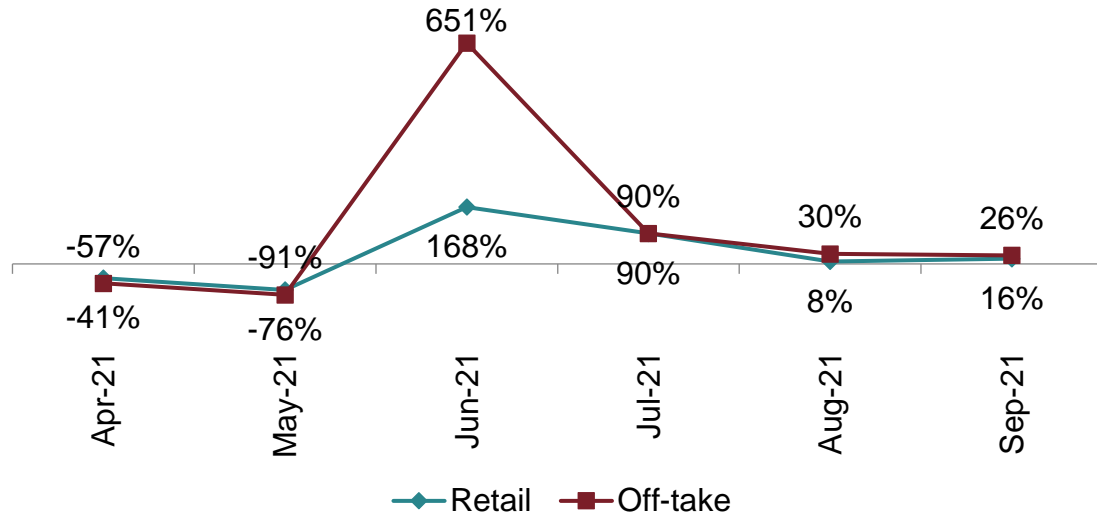


Source – MoRTH, SIAM, CRISIL Research

- Offtake of two-wheeler manufacturers, improved 11% sequentially in September 2022. Retail sales remained flat on a m-on basis.
- This sequential growth in offtake can be attributable to improving component supply as well as OEMs building up inventory considering the upcoming festive season, which traditionally sees healthy retail demand. Inventory levels in the preceding months had fallen to 40-50% of the previous year as companies had cut back on production due to depressed retail sales and auto-component shortages.
- On an y-o-y basis, offtake grew 14% while retails rose 18% in September

Three-wheeler offtake continues to grow on a low base

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



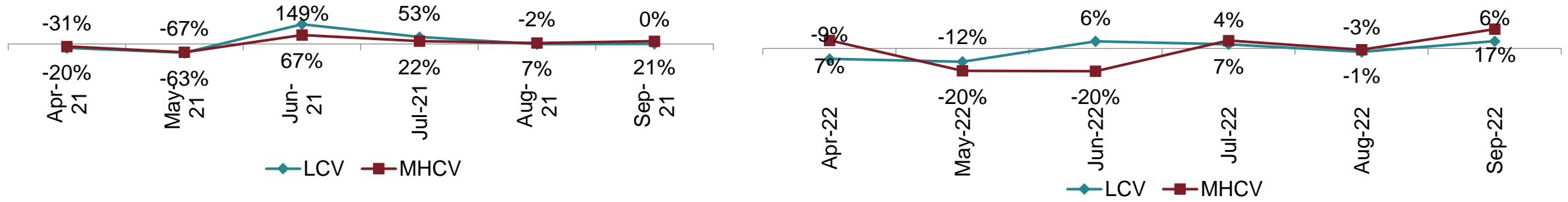
Source – MoRTH, SIAM, CRISIL Research

- September 2022 off take grew 73% on year, on a m-o-m level growth was 32%
- As schools, colleges and workplaces have opened, demand for three-wheeler is also gradually increasing.
- Passenger segment is witnessing higher traction.

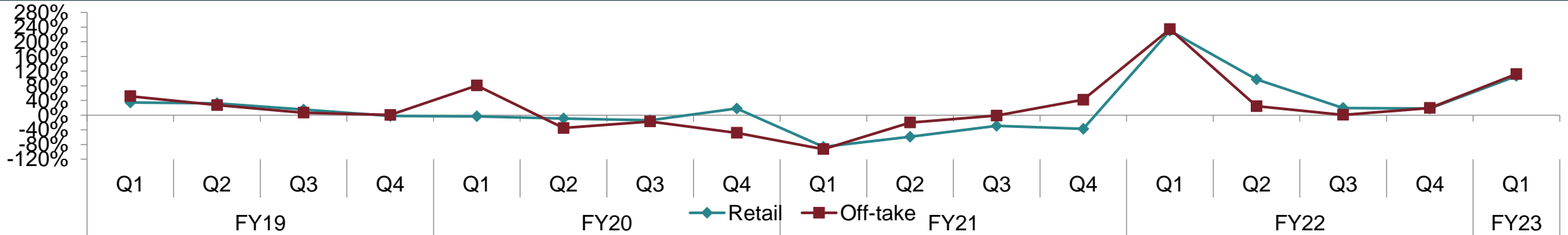
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Retail & offtake showing recovery on a sequential basis

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



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



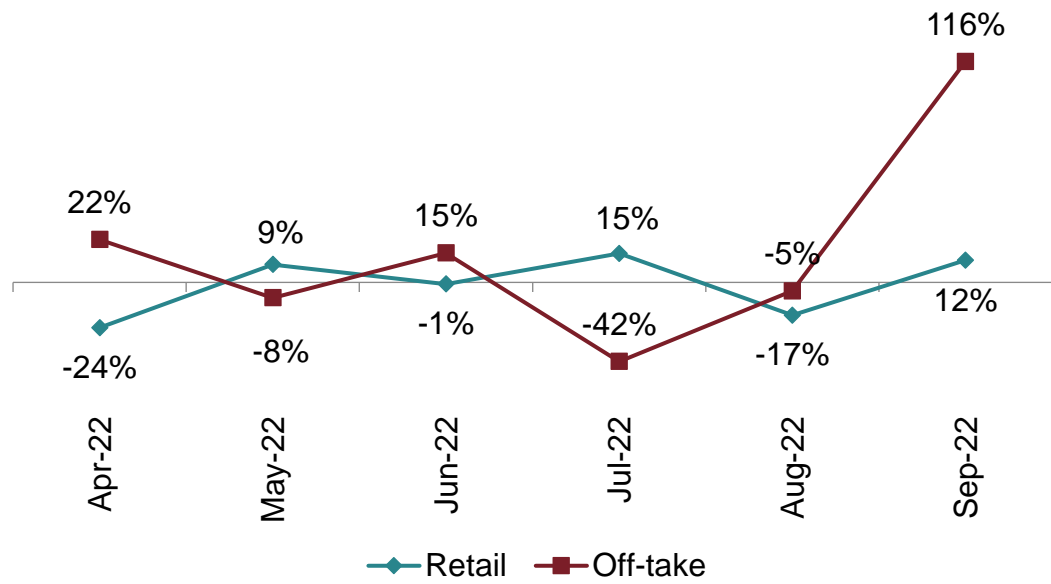
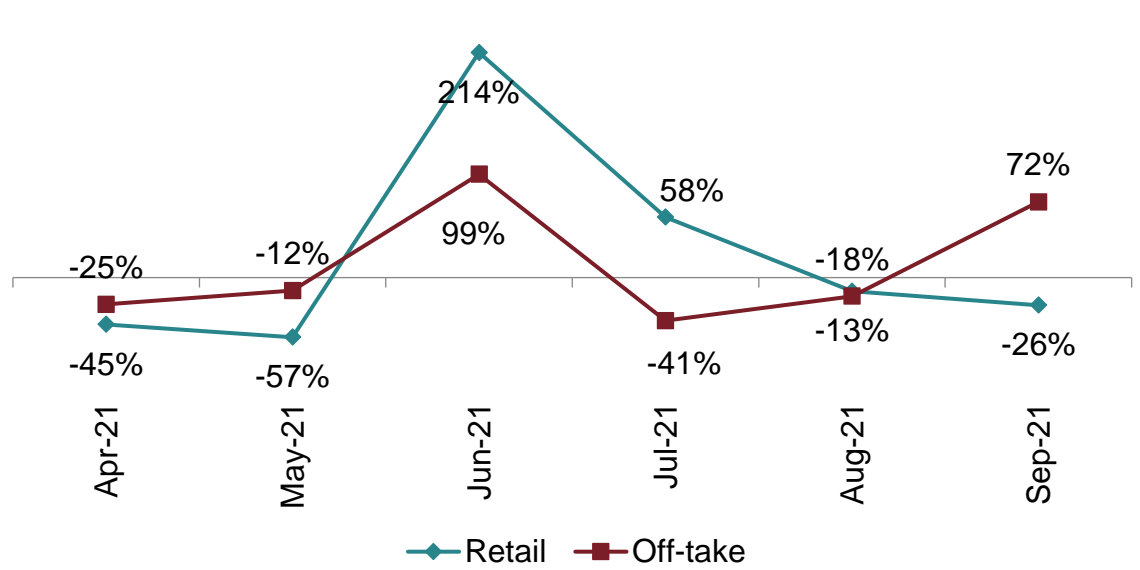
NOTE: Monthly off-take numbers are not reported by CV players from fiscal 2021 onwards
 Source – MoRTH, SIAM, CRISIL Research

- Wholesale off take of goods carrying commercial vehicle in the month of September 2022 is estimated to have grown by ~32-36% on-year and 9-13% sequentially.
- LCV sales increased by ~42-46% on-year while MHCV volumes increased by ~18-22% on-year for the same period; on a sequential basis, LCV sales increased by 2-6% and MHCV sales increased by 25-29%.
- Retail sales for LCV 16% on year and by 13% sequentially for MHCV.

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Domestic tractor offtake boosted in Sept'22 due to build-up by OEMs with onset of festivities and harvest season

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



Source – MoRTH, Industry, CRISIL Research

- Domestic tractor sales is estimated to have risen by 18-20% on-year in September'22 due to healthy demand with the onset of festivities.
- OEMs are estimated to have build up inventory in anticipation of healthy retail pick-up.

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