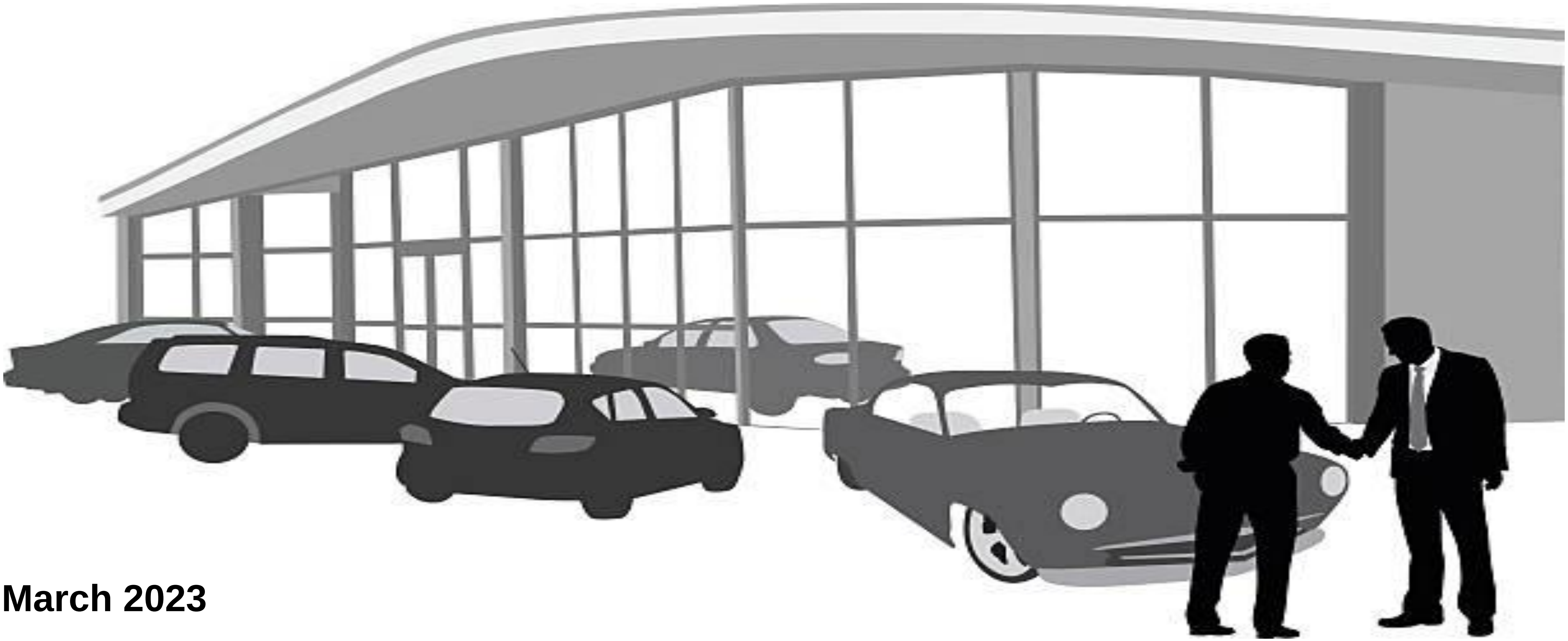
Consulting

Monthly trend – Retail versus off-take



March 2023

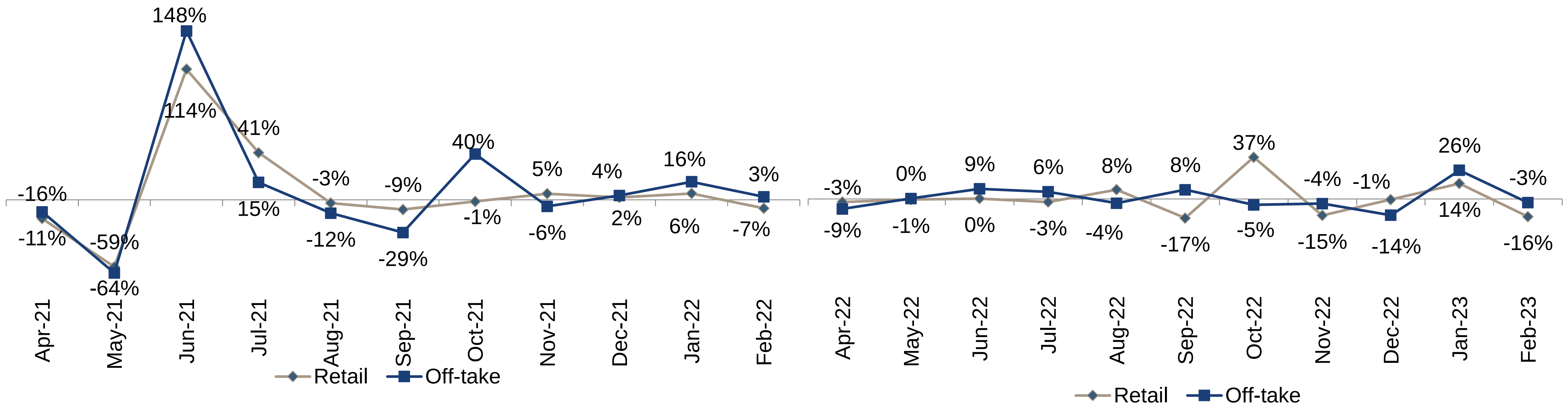
Market Intelligence
& Analytics

Automotive Component Manufacturers Association of India

An S&P Global Company

Continued traction backed on year growth in offtake & retails during Feb, some contraction on m-o-m basis

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

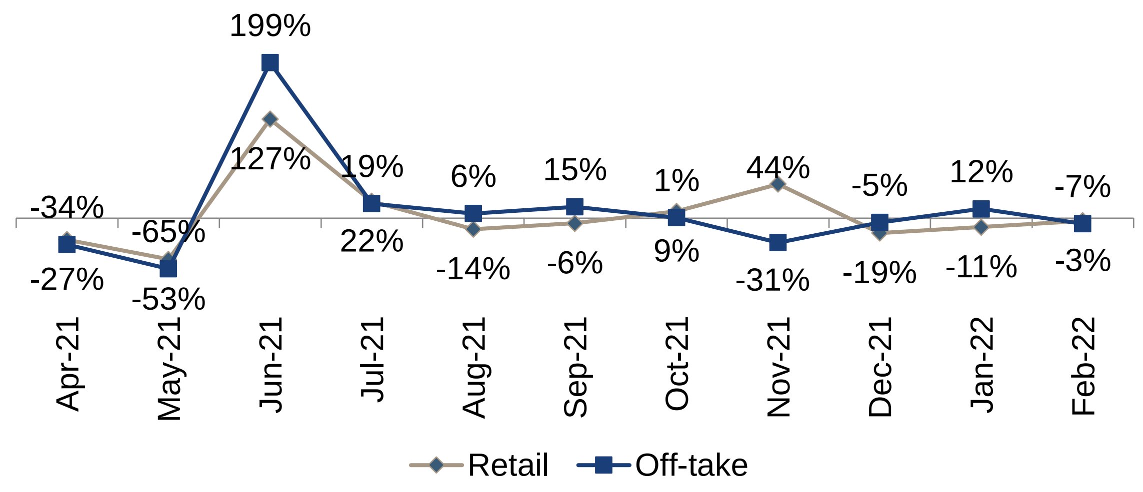


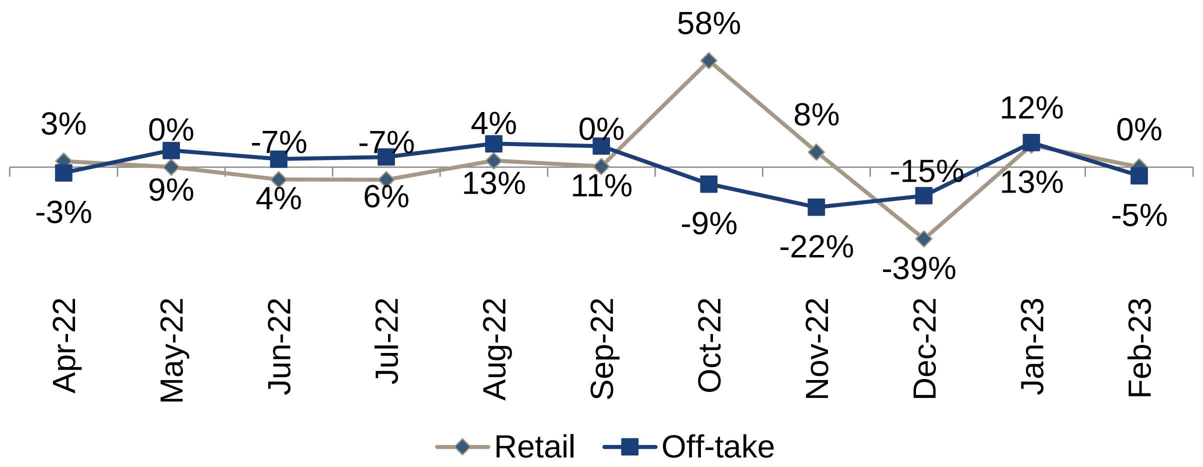
Source – MoRTH, SIAM, Tata Motors, CRISIL MI&A

- Industry continued its strong momentum especially in the UV segment during February and clocked 11% on year growth in offtake; retails also witnessed on year growth (7%) during February
- However, on a sequential basis, retail and wholesale volumes contracted (16% and 3% respectively) from a high witnessed in January
- Dealer stock levels were at normal 25-30 days
- Supply situation has normalized and waiting periods have shrunk

Two-wheeler industry maintains its momentum during the month

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



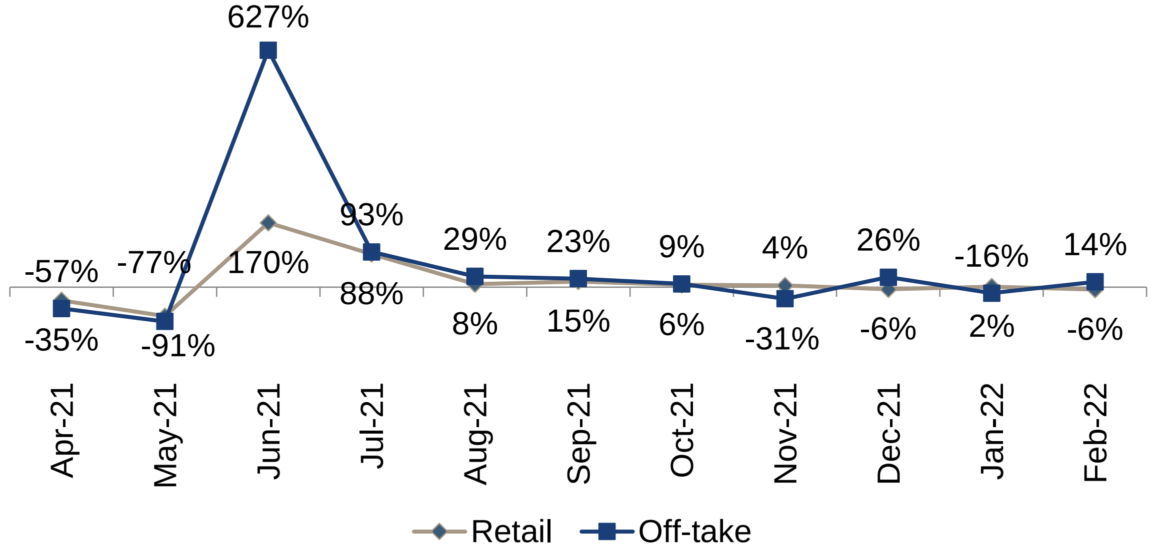


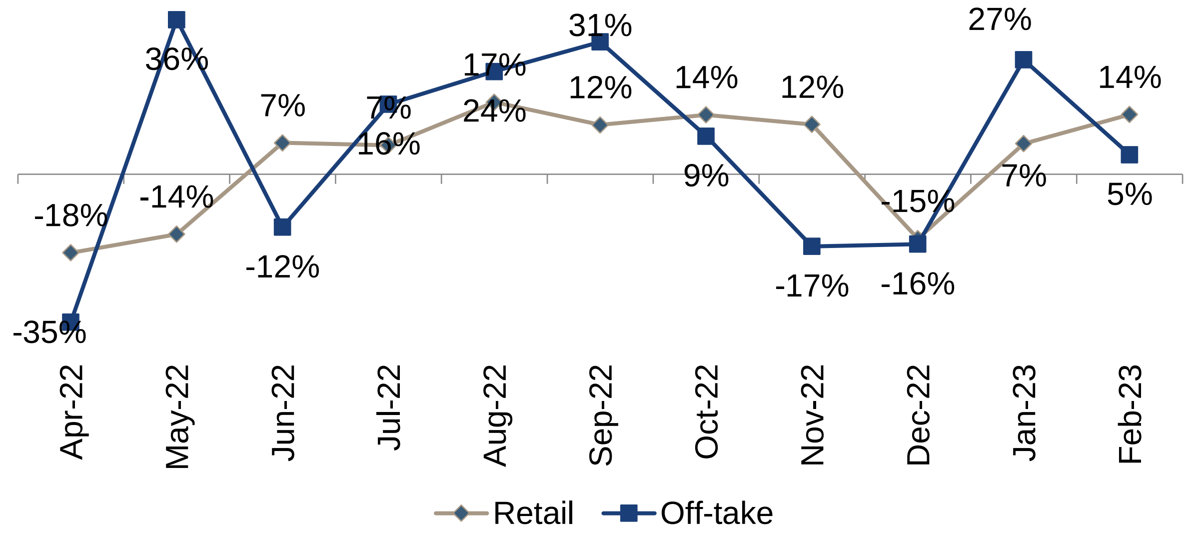
Source – MoRTH, SIAM, CRISIL MI&A

- Backed by improvement in scooter demand from a low base, two-wheeler industry witnessed ~8% on year growth in offtake, retails clocked a much faster 27% growth during the month
- On a sequential basis, offtake contracted 5% amidst the inventory correction for BSVI phase 1 vehicles
- Retails, on the other hand, remained rangebound sequentially
- Inventory levels were at 45-50 days

3Ws continue healthy growth from the reduced base of last year

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



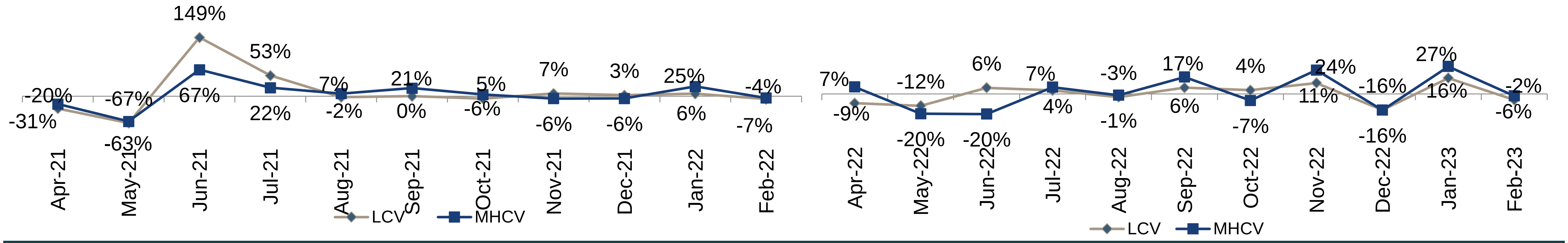


Note: Only ICE vehicle sales have been considered Source – MoRTH, SIAM, CRISIL MI&A

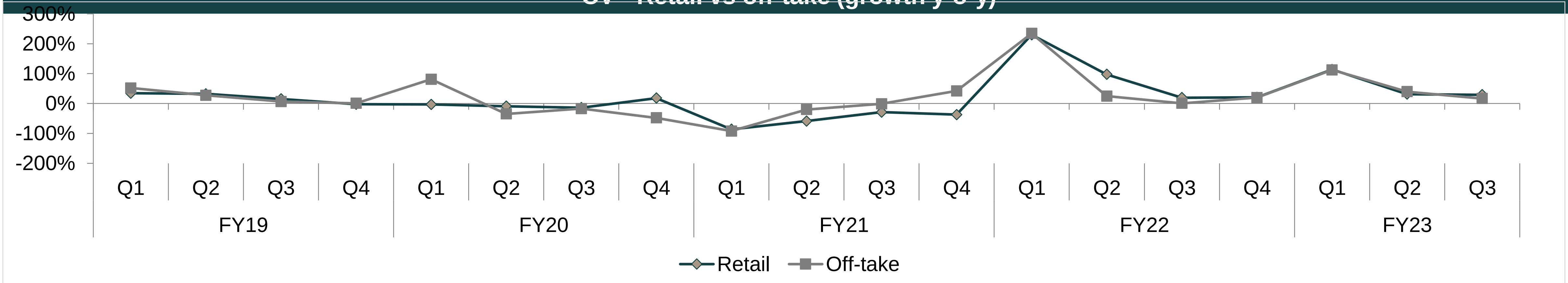
- From the low base of last year, backed by improvement in economic scenario and normalized public mobility, 3w industry continued its growth march during February
- Offtakes witnessed a strong 85% growth with passenger segment offtake more than doubled during the month; goods segment maintained its steady improvement
- In line with offtake, retails also witnessed a healthy growth of 77% over the low base
- Even on a sequential basis, industry clocked better numbers during February unlike other auto segments

On year growth while sequential decline for CV retails

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



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

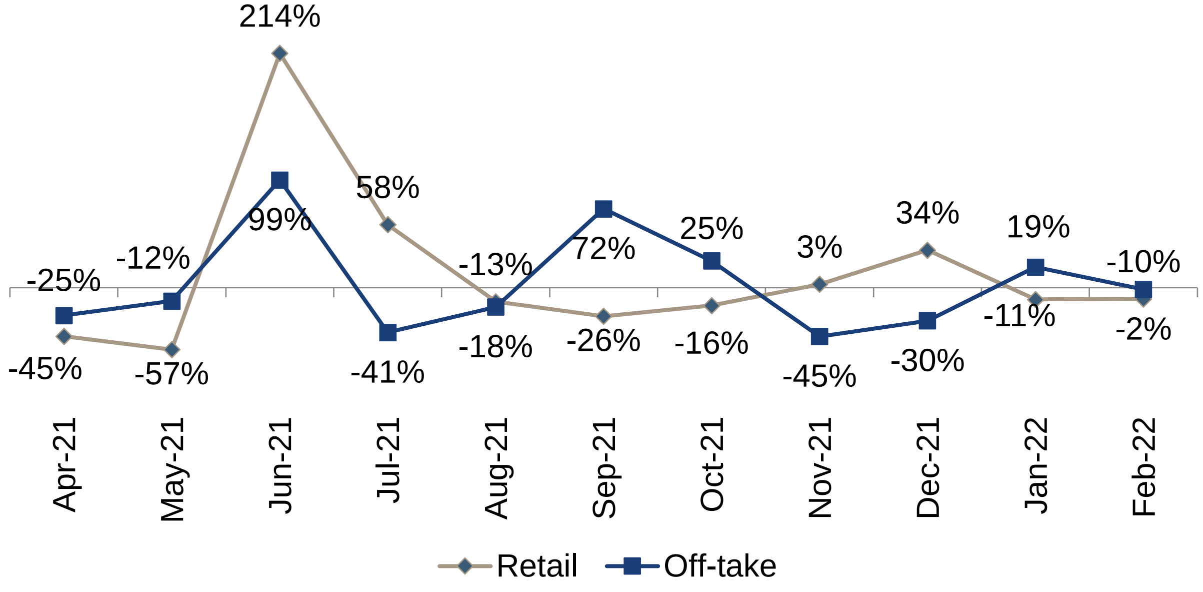


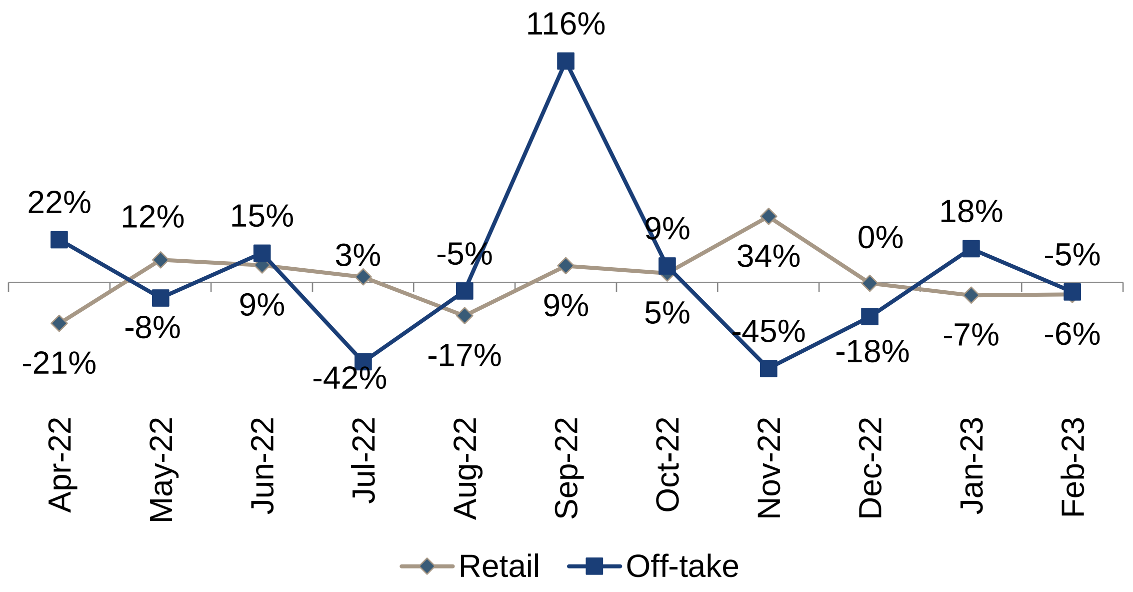
- From the strong numbers witnessed in January, retails of LCV as well as MHCV segment witnessed some contraction during February
- However, compared to last February, LCV as well as MHCV segment sales improved, with MHCV clocking a faster growth of 27% on year with some improvement in economic scenario
- LCV segment clocked an 18% on year growth during the month

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

Tractors maintain their on-year growth momentum during Feb

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





Source – MoRTH, Industry, CRISIL MI&A

- Domestic tractor offtake rose 20% on year in February 2023 while retails witnessed a faster 37% growth
- Higher rabi acreage amid conducive weather conditions, coupled with healthy kharif procurement, lead to positive farmer sentiments.
- Healthy reservoir levels due to above normal monsoon season, good moisture content in the soil and announcement of higher MSP for crops aided retail momentum.
- Sequentially, retails contracted after the strong numbers witnessed in November, December and January

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