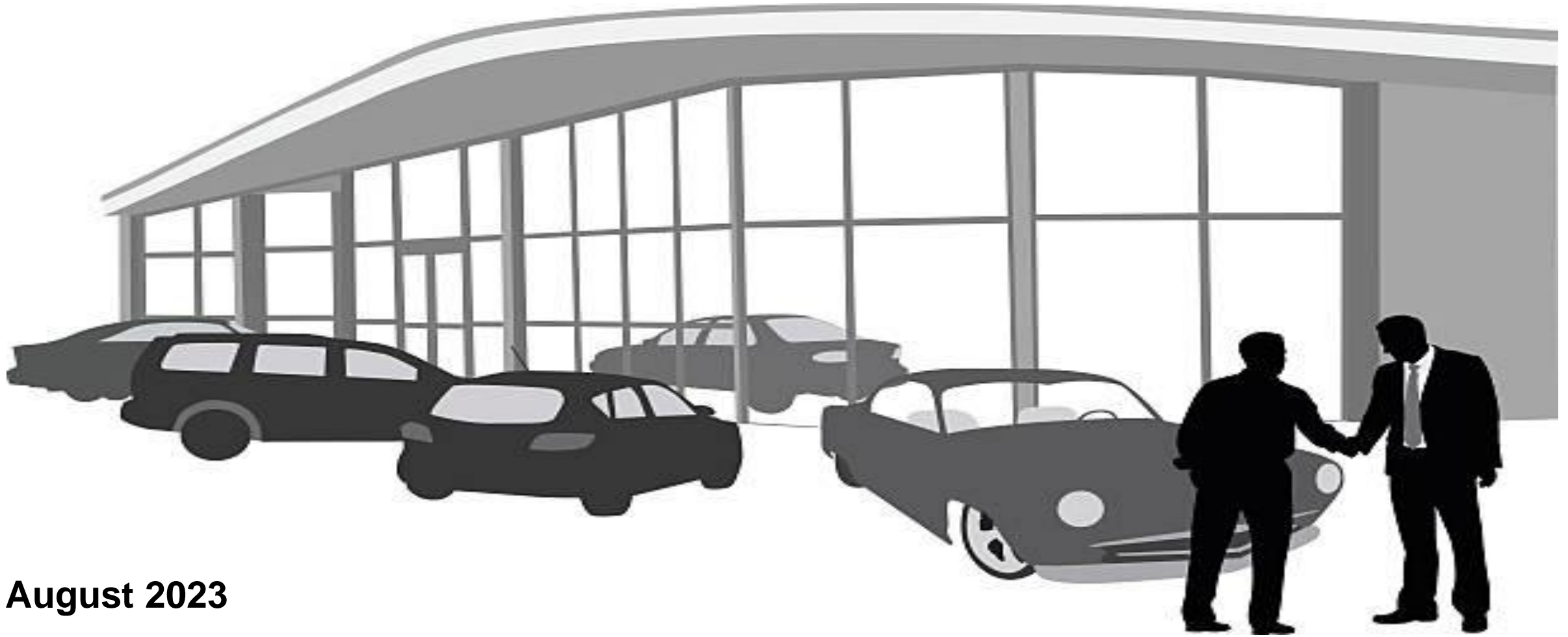


Monthly trend – Retail versus off-take

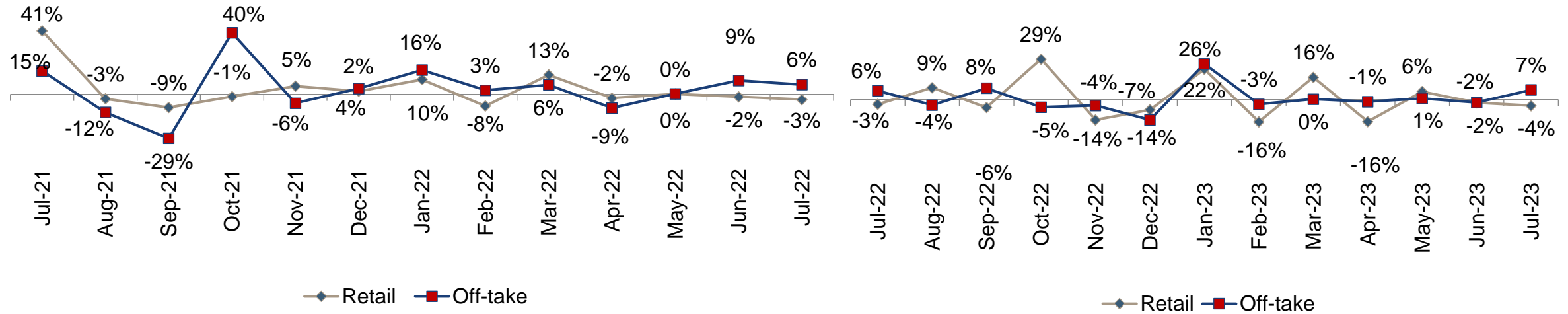


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August 2023

Some tapering in PV retails during July; offtake maintains growth momentum

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



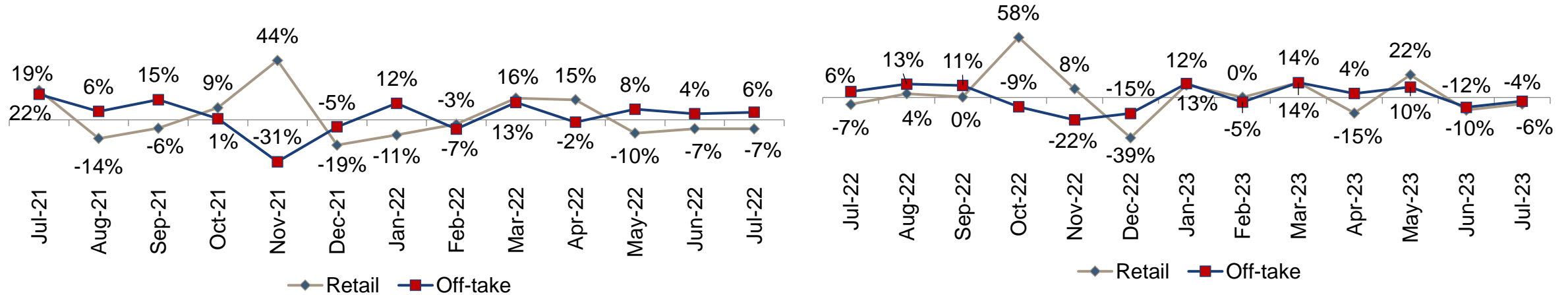
Source – MoRTH, SIAM, Tata Motors, CRISIL MI&A

- PV offtake rose 7% sequentially in July led by the continued traction for SUVs and MPVs. However, car dispatches contracted sequentially. The recent successful launches in the UV segment like Fronx, Jimny & Exter provided added support to UV dispatches.
- There was a 4% sequential drop in retails. Although there was some improvement (4%) from last year’s levels.
- From the last year’s levels, offtakes also registered growth (3% on year) supported by strong booking pipeline as a result of high traction for new models and continued demand for existing models.
- Growth was led by the UV segment which registered sharp growth of 32% while other segments of cars & vans registered y-o-y drop.
- Semiconductor issue has eased out during the year

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2W Sequential drop in retails continues during July

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

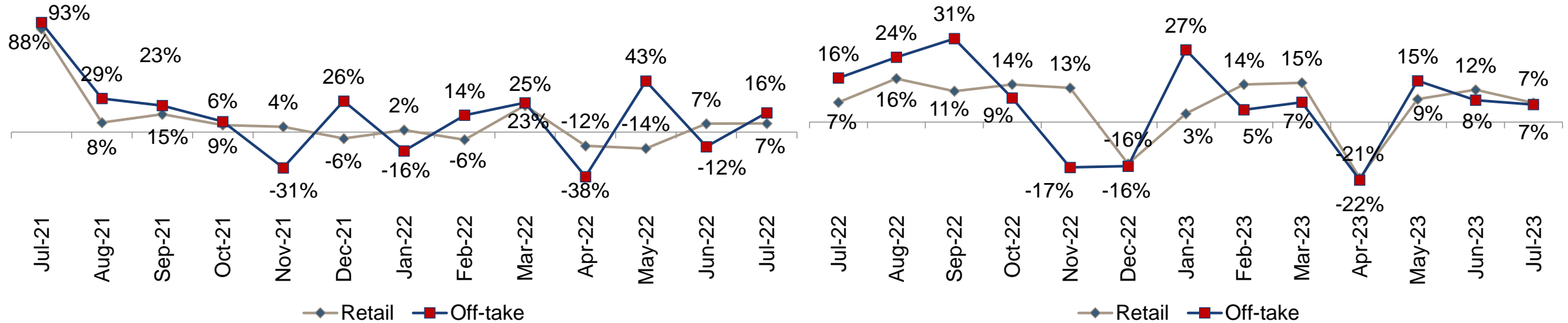


Source – MoRTH, SIAM, CRISIL MI&A

- Monsoon retails are typically subdued. In FY24, there was sequential drop in retails from a high in May.
- Moreover, heavy rainfall and flood in certain regions have caused crop damage and customer walk-ins dropped at dealerships.
- Retails declined 6% further during July while offtakes witnessed a 4% drop
- Sequentially, there was a drop in motorcycle dispatches while scooter dispatches witnessed improvement
- After a sharp drop in EV retails in June, there was some improvement seen in July retails
- Compared to last year levels, 2W offtakes witnessed 7% drop while retails clocked y-o-y growth.

3W industry continues growth momentum during July

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

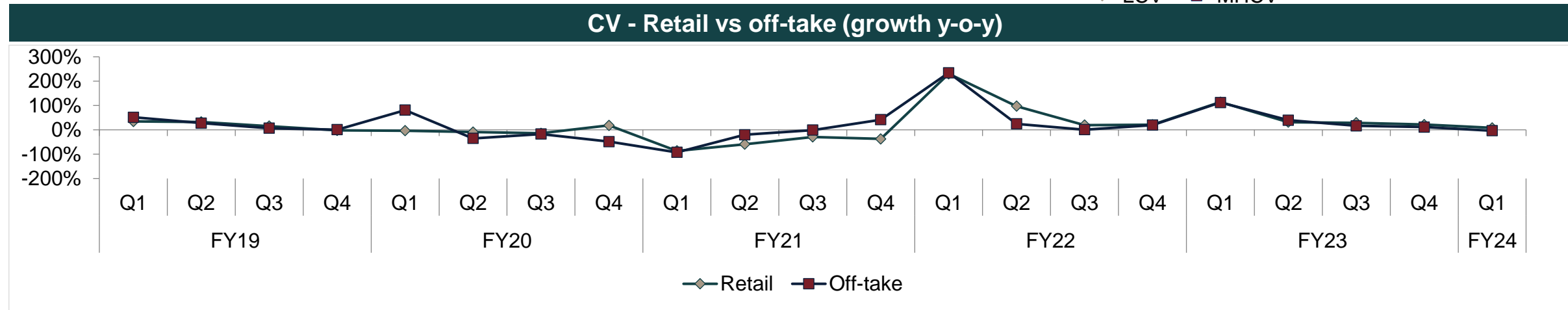
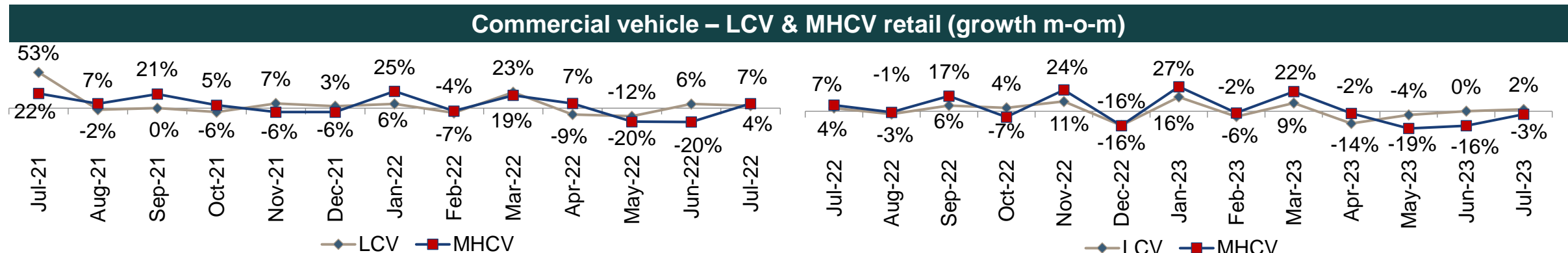


Note: E rickshaw segment has not been covered on the analysis
 Source – MoRTH, SIAM, CRISIL MI&A

- 3W retails as well as offtakes witnessed continued demand during July and witnessed 7% growth sequentially
- Industry has been registering growth momentum on the back of normalized mobility and increased requirement for the last mile delivery
- Compared to last year, retails as well as offtakes have nearly doubled
- Passenger segment has been witnessing robust growth and clocked 98% on year growth during July

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CV retails remained rangebound during July



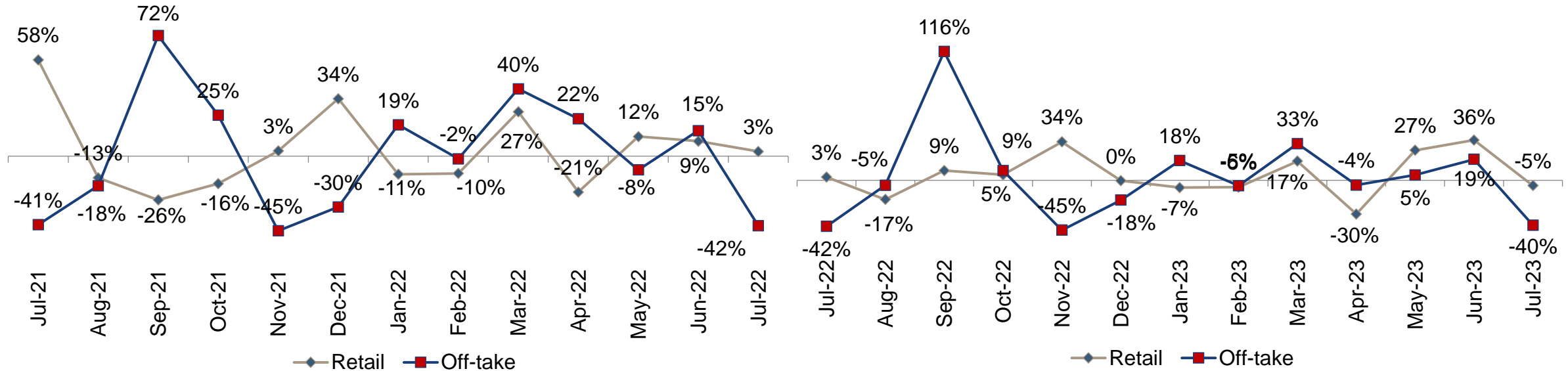
NOTE: Monthly off-take numbers are not reported by CV players from fiscal 2021 onwards
 Source – MoRTH, SIAM, CRISIL MI&A

- CV retails remained rangebound in July compared to June retails
- During July, LCV retails witnessed some (2%) improvement while the MHCV segment saw 3% sequential contraction; erratic rains, floods in North had some negative impact on retails during the month.
- However, segment witnessed positive stride compared to last year with MHCV clocking 9% demand growth
- There is some easing in supply constraints witnessed during Q1

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Sequential drop in Tractor sales from high base of June

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



Source – MoRTH, Industry, CRISIL MI&A

- During June, industry did inventory built up for the sowing season. Off this high base, July offtake witnessed 40% sequential drop
- Although, compared to last year, July dispatches clocked 6% growth
- Festive inventory built up is expected to start from September
- Retails witnessed some drop sequentially amidst the unfavorable spread of monsoon; floods in North while reduced rainfall in South
- This had some negative impact on sentiments and in turn, retail demand during July and tractor sales dropped 6% sequentially during the month
- Additionally, sowing season has been extended during the current year amidst the delayed monsoon

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