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Quarterly vehicle industry performance – Q3 FY23

Prepared for ACMA

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January 2023



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Contents

Executive Summary	3
Segment wise Q3 FY23 industry performance	6

To navigate this report on-screen (in pdf format)

From any page – click on the section title in the header navigation bar

From this Contents page – click on the title of the section or sub-section

From the contents listing on any section divider – click on the title of the sub-section

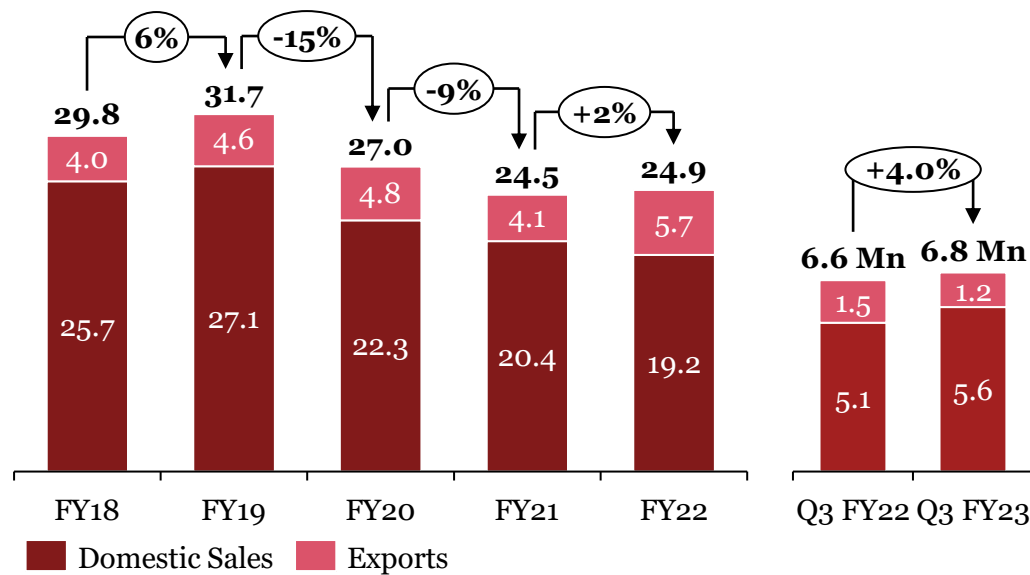
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Executive Summary

Automotive industry performance overview

Q3-FY23

OEM - Domestic sales and exports | million units



Indian automotive domestic sales and exports experienced degrowth at an overall CAGR of 3.5% over the last 5 years.

Rebound in domestic demand following relaxation of COVID-19 restrictions

- Increase in demand following easing of restrictions & the onset of the festive season
- Decline in overall exports amid fears of global recession

Vehicle segment	Dom. Sales Q-o-Q Q3 22-Q3 23	Exports Q-o-Q Q3 22-Q3 23
	▲ 6%	▼ 23%
	▲ 23%	▲ 22%
	▲ 17%	▼ 27%
	▲ 10%	▼ 14%
	▲ 66%	▼ 29%
TOTAL	▲ 10%	▼ 19%

Key Updates

Past Trends

- In FY22, PV and CV sales rose, due to an improvement in downstream demand
- All vehicle segments experienced a surge in exports; two-wheelers achieved their highest ever export numbers
- Primary cause for increase in exports worldwide is due to improved build quality, competitive costs and sustained performance
- EV segment witnessed growth largely driven by attractive central and state subsidies
- Last mile mobility drives the growth of electric 3w largely as it is emerging as convenient and eco-friendly mode of transportation
- The central government slashes fuel taxes by ₹8 for petrol and ₹6 for each liter of diesel
- In H2-FY22, the easing of supply side constraints for semiconductors drove sales slightly

Going Forward

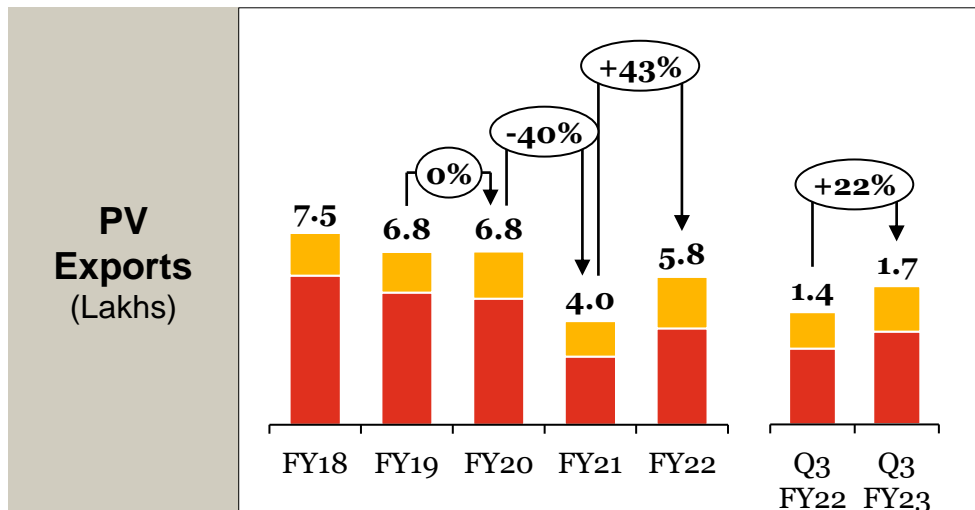
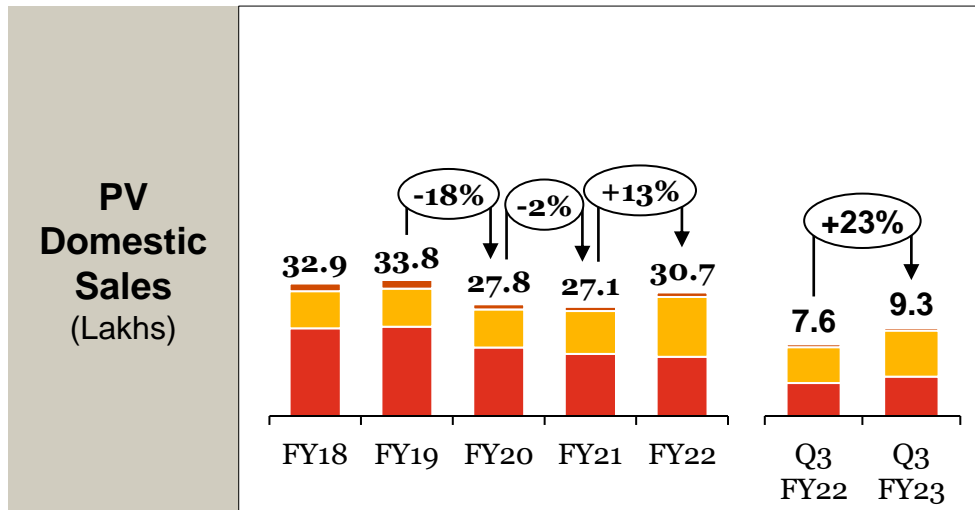
- Consumer preferences and market focus shifting towards SUVs and MPVs
- The emergence of EVs continues to be a disruptive innovation in the Indian automotive sector amid constant government support and development of charging infrastructure
- The adoption of electric vehicles and ADAS to substantially increase the semiconductor content in automobiles, even as production volume remains steady. Semiconductor supply challenges, while evolving, are here to stay.
- The total CAPEX outlay of the automotive OEMs over FY23-FY25 is estimated to be higher. The expenditure will mainly be on capacity expansion to meet the growing demand for vehicles, and on new product development, including the development of dedicated platforms for electric vehicles.
- Demand for two-wheelers is rising as e-commerce companies are using two-wheeler for the purpose of delivering products due to the durability of the vehicle, better wheel stability, and its ability to carry heavy baggage with it

Segment wise Q3 FY23 industry performance

Passenger vehicles

(Internal combustion engine)

Passenger Cars Utility Vehicles(UVs) Vans



Market Share Q3 FY23

Maruti Suzuki India Ltd	41.15%
Hyundai Motor India Ltd	14.42%
Tata Motors Ltd**	14.15%
Mahindra & Mahindra Ltd	9.75%
Other	20.53%

Key Trends

- PV domestic sales grew by 23% Y-o-Y on the back of robust consumer demand in the festive season
- Passenger Cars constituted 45% of sales whereas Utility Vehicles constituted 52% of sales. UV sales also grew by 27% (vs. Q3FY22) indicating a shift toward larger vehicles

Market Share Q3 FY23

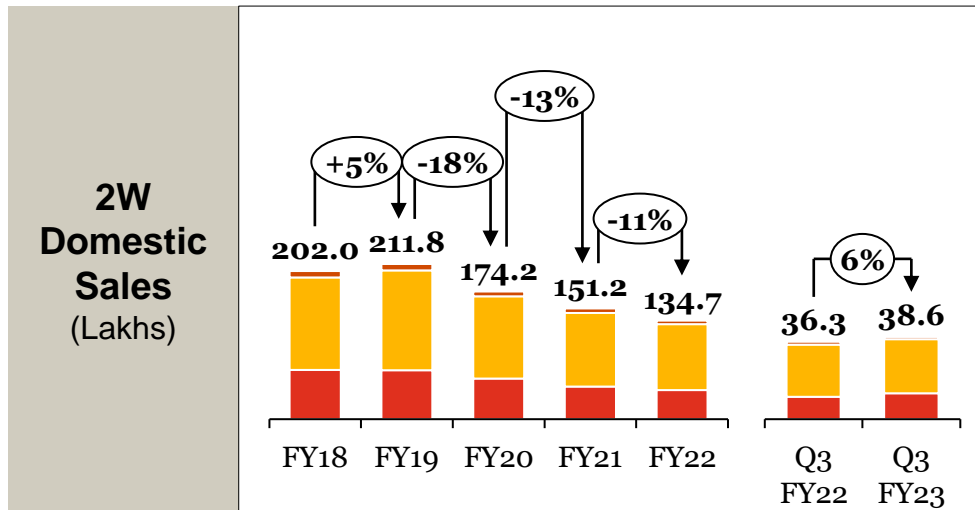
Maruti Suzuki India Ltd	44.30%
Kia Motors India Pvt Ltd	15.23%
Nissan Motor India Pvt Ltd	13.27%
Hyundai Motor India Ltd	9.10%
Other	18.09%

- Notwithstanding global headwinds, passenger vehicle (PV) exports from India grew 22% Y-o-Y. Passenger Cars constituted the maximum proportion of exports(67%). Meanwhile, exports of Utility Vehicles increased by 24% (vs. Q3FY22)

2 wheelers

(Internal combustion engine)

■ Scooter/Scooterette ■ Motor cycles/Step- Throughs ■ Mopeds

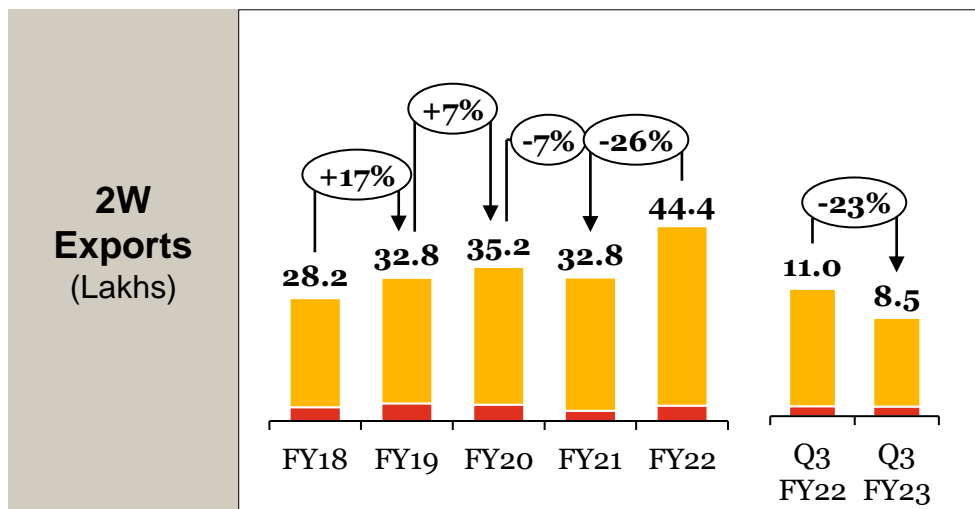


Market Share Q3 FY23

Hero MotoCorp Ltd	31.20%
Honda Motorcycle & Scooter India Pvt Ltd	26.24%
TVS Motor Company Ltd	16.30%
Bajaj Auto Ltd	11.79%
Other	14.46%

Key Trends

- End-consumer demand increased due to the opening of offices and schools along with the onset of the festive season, leading to a 6% growth in sales Y-o-Y
- Sales growth of top two-wheeler makers was muted in December due to tepid rural sentiment and high inflation



Market Share Q3 FY23

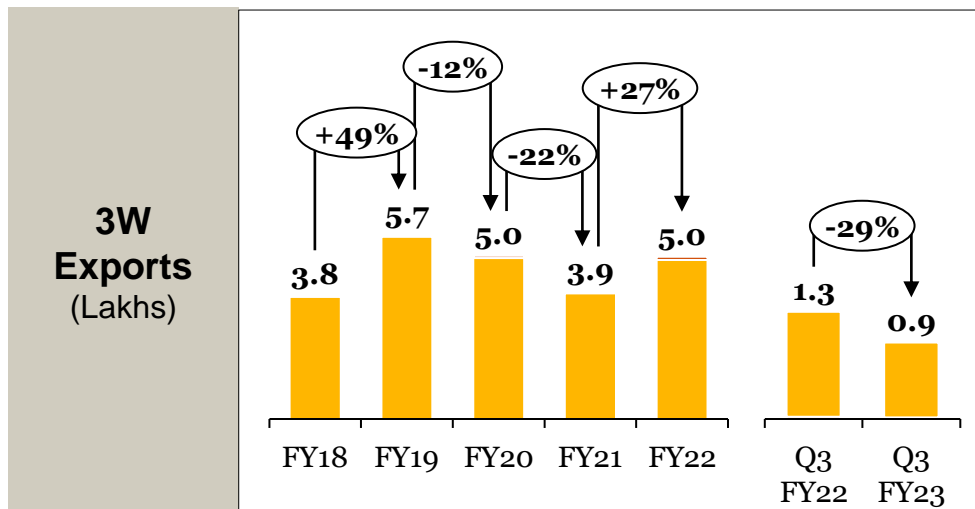
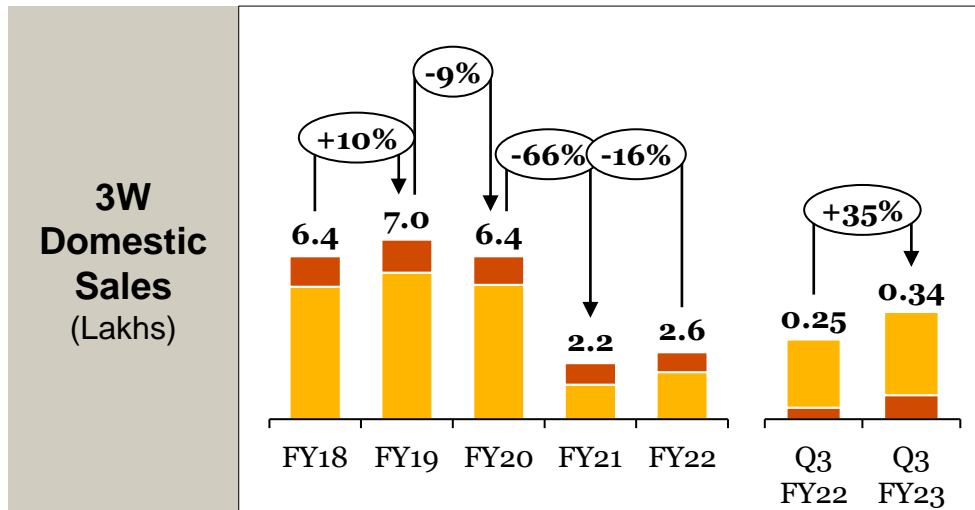
Bajaj Auto Ltd	44.95%
TVS Motor Company Ltd	25.56%
Honda Motorcycle & Scooter India Pvt Ltd	9.24%
India Yamaha Motor Pvt Ltd	7.71%
Other	12.55%

- Exports witnessed a downturn due to slowing external demand amid recession fears
- Motorcycles and Step-throughs constituted 90% of the exports and Scooters constituted only 10% of the total exports

3 wheelers

(Internal combustion engine)

Passenger Carrier Goods Carrier



Market Share Q3 FY23

Bajaj Auto Ltd	64.18%
Piaggio Vehicles Pvt Ltd	16.52%
Mahindra & Mahindra Ltd	11.07%
Atul Auto Ltd	4.41%
Other	3.83%

Key Trends

- Three-wheeler domestic sales saw a spike of 35% Y-o-Y due to an increase in last-mile travel amid re-opening of schools and other public institutions
- Positive customer sentiment amid heavy discounts in the festive season

Market Share Q3 FY23

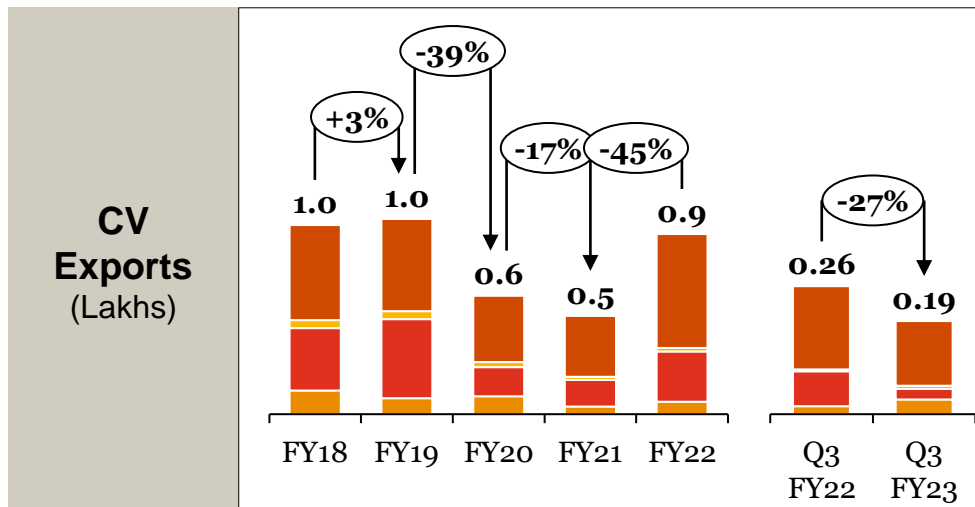
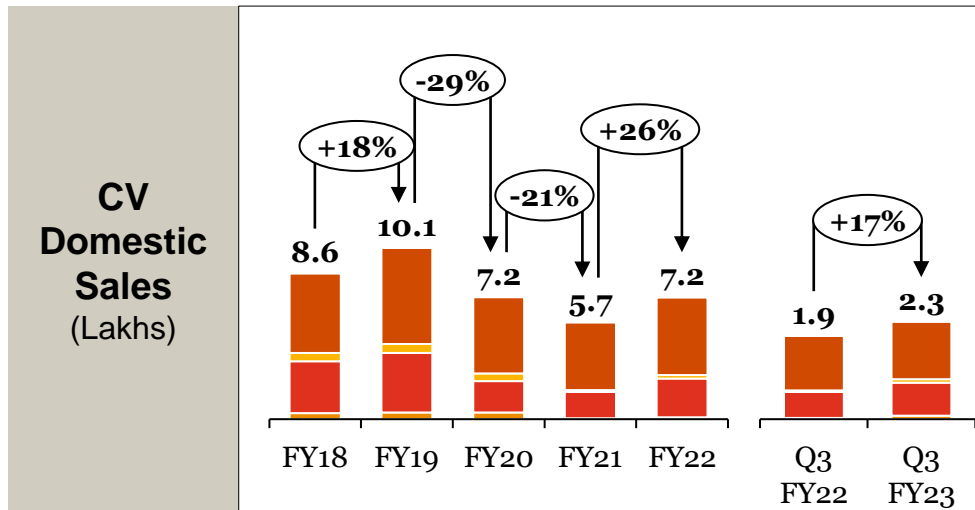
Bajaj Auto Ltd	46.77%
TVS Motor Company Ltd	43.17%
Piaggio Vehicles Pvt Ltd	8.32%
Force Motors Ltd	0.87%
Other	0.87%

- Fear of recession, weak local currency, and inflation decreased exports by 29%
- The exports of Passenger Carriers declined by 29% and Goods carriers fell by 34% (vs. Q3FY22)

Commercial vehicles

(Internal combustion engine)

■ M&HCV Passenger
 ■ M&HCV Goods
 ■ LCV Passenger
 ■ LCV Goods



Market Share Q3 FY23

Tata Motors Ltd	39.96%
Mahindra & Mahindra Ltd	26.72%
Ashok Leyland Ltd	19.66%
VECV-Eicher	7.36%
Other	6.29%

Key Trends

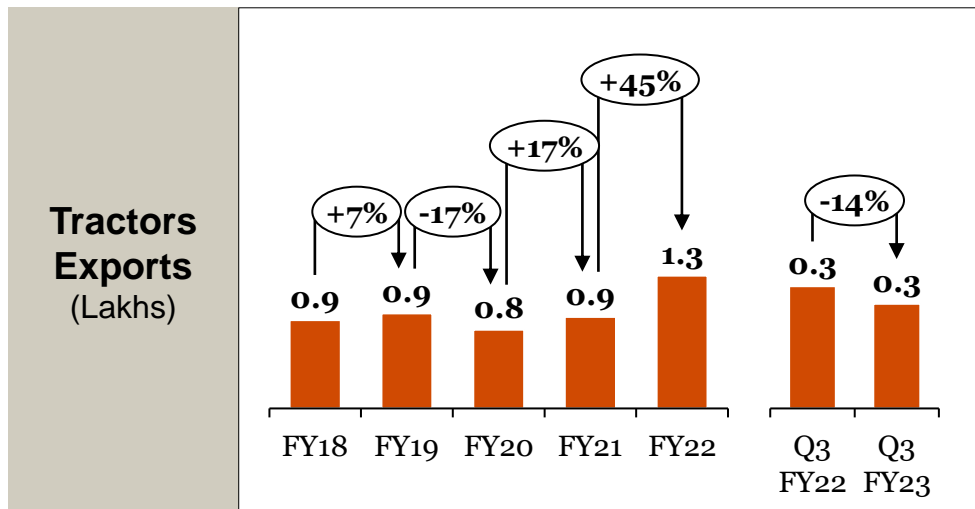
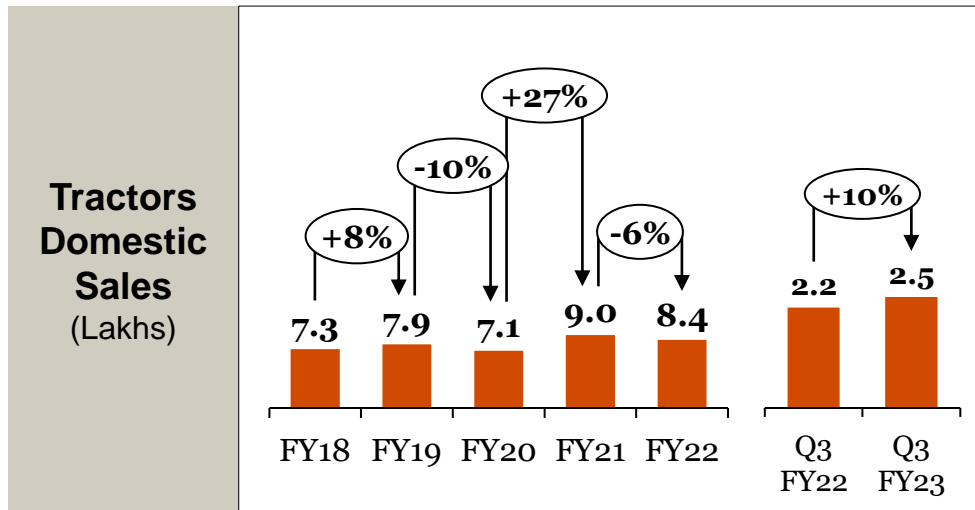
- Growth of 17% Y-0-Y was led by stronger sales of MHCVs and LCV passenger carriers, with the latter's sales more than doubling compared to Q3FY22
- Q3FY23 saw improved fleet utilization, pick up in road construction projects, and increased cement consumption

Market Share Q3 FY23

Tata Motors Ltd	22.04%
Mahindra & Mahindra Ltd	31.01%
Isuzu Motors India Pvt Ltd	20.27%
Ashok Leyland Ltd	15.46%
Other	11.23%

- Exports declined by 27% due to the prevailing economic situation in most overseas markets
- The evolving geopolitical situation, heightened inflation, rising interest rates, and recessionary fears remain to be major concerns for the export market going forward

Tractors



Market Share Q3 FY23

Mahindra & Mahindra Ltd.	41.00%
TAFE	17.25%
International Tractors Ltd.	12.54%
Escorts Ltd.	10.59%
Other	18.63%

Market Share Q3 FY23

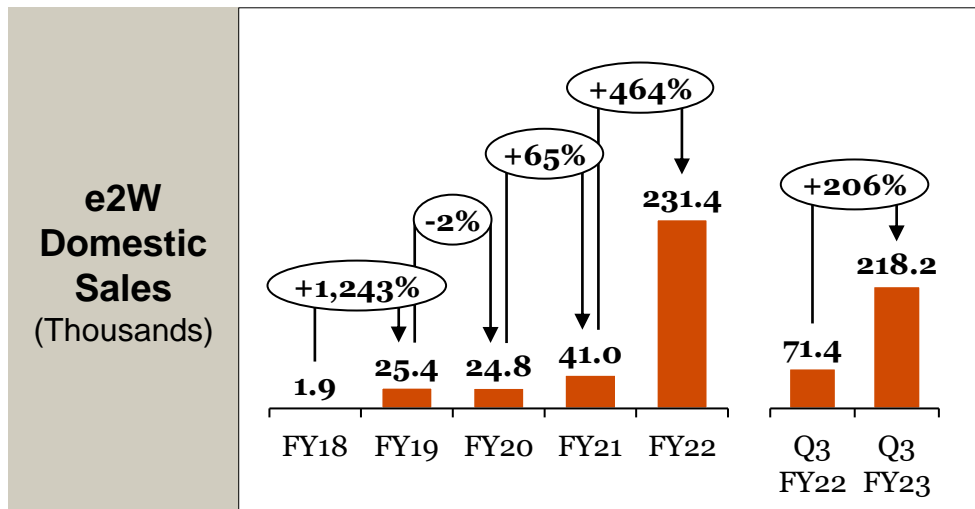
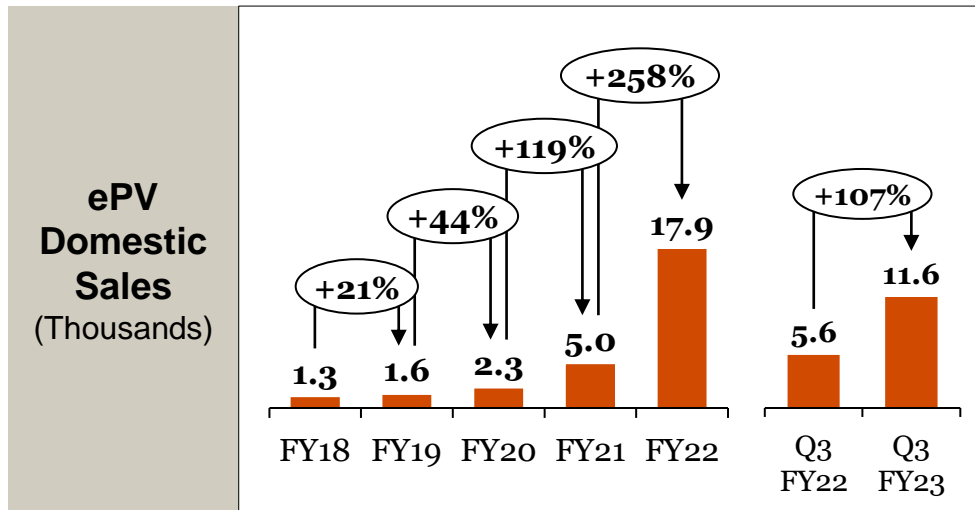
International Tractors Ltd.	29.50%
Johndeere	18.67%
TAFE	12.73%
New Holland India	10.54%
Other	28.56%

Key Trends

- Tractor sales surged by 10% Y-o-Y due to a seasonal surge in demand amid the festive season, supported by above-normal monsoons and healthy water reservoir levels

- Exports continued to decline due to the weakening of the local currency and high inflation rates in developed economies
- Tractors of 51 hp and above constituted 65% of the exports, up to 30 hp and 41hp-40hp constituted a share of 16% each, and 31hp-40hp had the lowest share of 3%

Electric Vehicles – 2W & PV



Market Share Q3 FY23

Tata Motors Passenger Vehicles Ltd	78.37%
Mg Motor India Pvt Ltd	13.85%
Hyundai Motor India Ltd	2.26%
Kia Motors India Pvt Ltd	1.82%
Other	3.70%

Market Share Q3 FY23

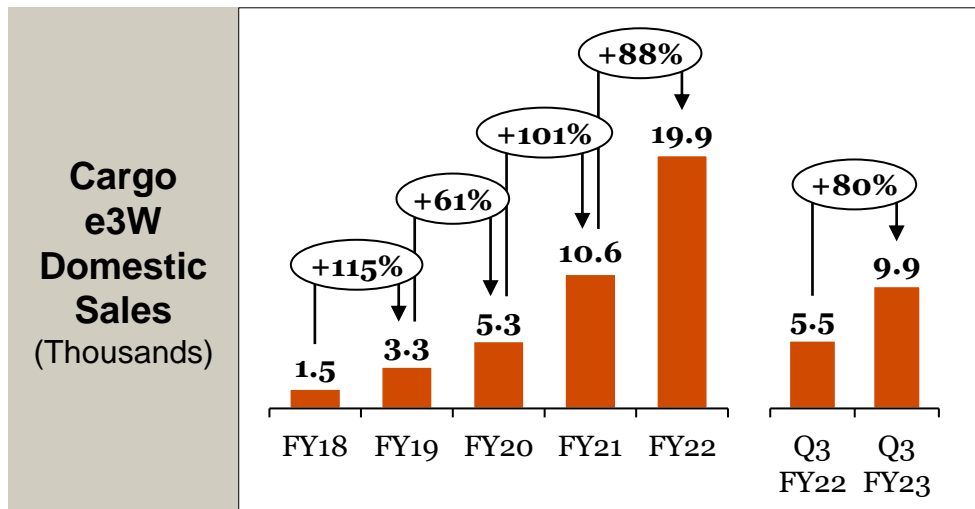
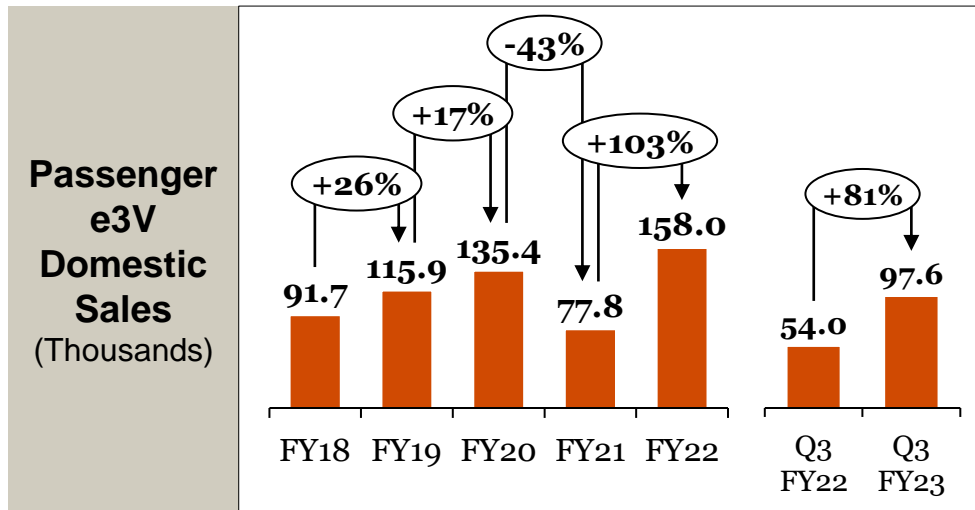
Ola Electric Technologies Pvt Ltd	22.95%
Okinawa Autotech Pvt Ltd	13.43%
Ampere Vehicles Private Limited	12.26%
Hero Electric Vehicles Pvt. Ltd	11.91%
Others	39.45%

Key Trends

- e-PV sales more than doubled Y-o-Y with new products entering the market, easing of supply chain issues, and growing consumer recognition of the benefits of EVs – on their wallets and to the environment

- e2Wh sales rose by a staggering 206%. The substantial rise in sales can be attributed to multiple new product launches, greater production capacity with several OEMs, and festive season demand.
- Range anxiety and charging infrastructure remain key customer concerns – deterring an even faster rate of adoption

Electric Vehicles – 3W



Market Share Q3 FY23

YC Electric Vehicle	8.49%
Saera Electric Auto Pvt Ltd	5.83%
Mahindra Reva Electric Vehicles Pvt Ltd	4.14%
Mahindra & Mahindra Limited	4.04%
Others	77.50%

Market Share Q3 FY23

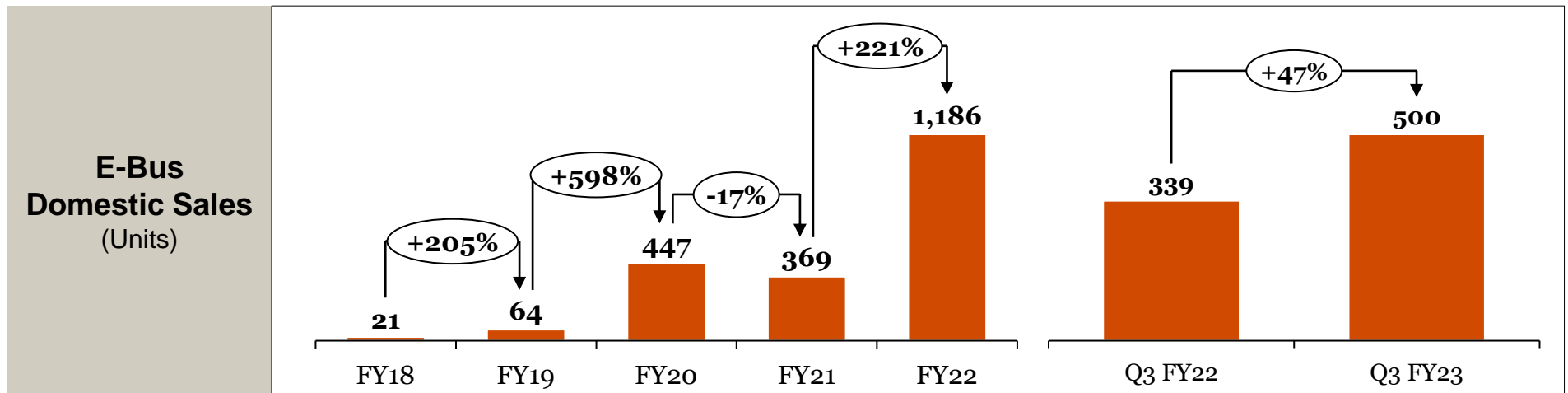
Omega Seiki Pvt Ltd	12.62%
Piaggio Vehicles Pvt Ltd	11.86%
Mahindra Reva Electric Vehicles Pvt Ltd	9.61%
Dilli Electric Auto Pvt Ltd	5.16%
Other	60.74%

Key Trends

- The 3W space is an early adopter of e-mobility, with strong unit economics, particularly in shared mobility, compared to traditional ICE models
- The push by the government and expanding footprint of charging infrastructure has led to the growth in sales during the year

- With fast-rising demand for last-mile delivery, particularly in urban India, the hub-and-model is now accelerating demand for cargo-ferrying three-wheelers leading to a growth of 80% in sales

Electric Vehicles – Buses



Market Share Q3 FY23

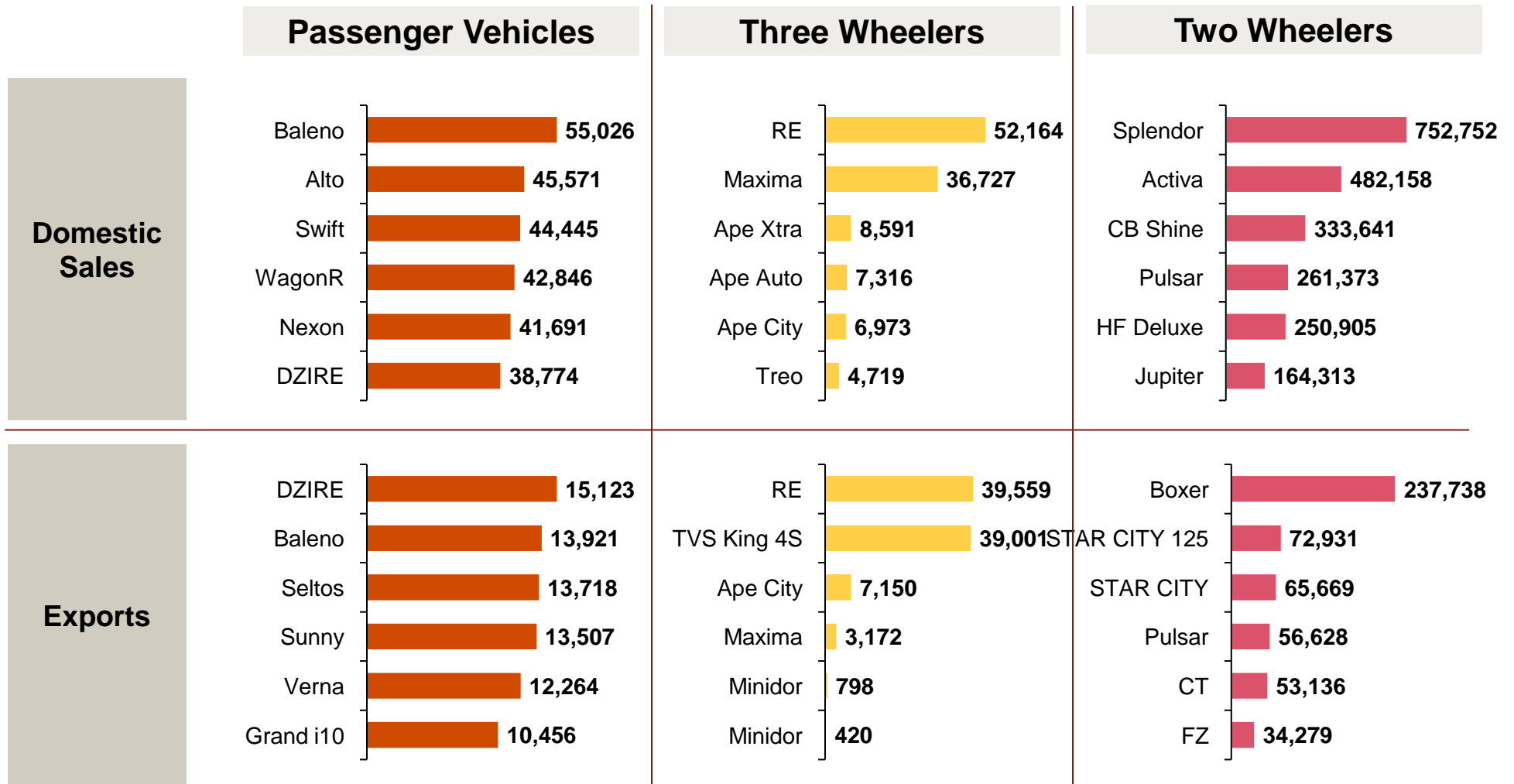
PMI Electro Mobility Solutions Private Limited	38.35%
Switch Mobility Automotive Ltd	23.71%
Olectra Greentech Ltd	19.79%
Jbm Auto Limited	8.45%
Other	9.69%

Key Trends

- Increase in usage of public transport amid relaxation of covid-19 restrictions
- The Central and the state governments are pushing for an increase in usage of e-buses for public transport
- Convergence Energy Services Limited (CESL) announced floating a tender for deployment of 5,690 electric buses
- The biggest challenge for e-bus sector expansion revolves around financing as banks are concerned about the battery life of EV and the residual value of e-buses

Q2 FY23 Model-wise Sales

(Internal combustion engine)





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** This map is not to scale. It is an indicative outline intended for general reference use only.

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