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# *Quarterly vehicle industry performance – Q3 FY21*

Prepared for ACMA

*Strictly private  
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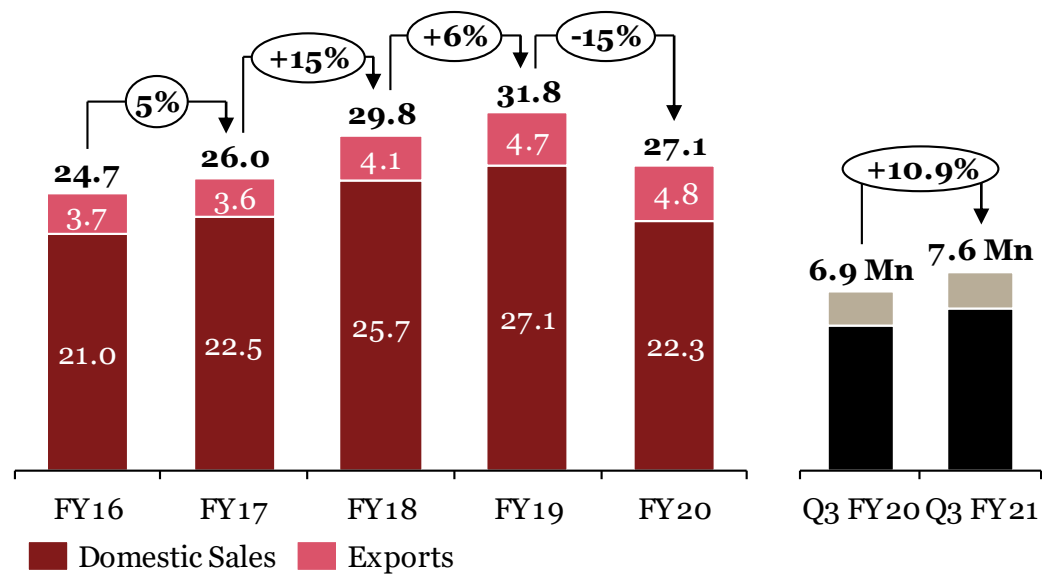
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# *Executive Summary*

# Automotive industry performance overview

## Q3-FY21

OEM - Domestic sales and exports | million units



Indian automotive domestic sales and exports grew at an overall CAGR of 2% over last 5 years.

### Rebound in domestic demand following relaxation of COVID-19 restrictions

- Pent-up demand from lockdown
- Improving consumer sentiment.

Vehicle segment	Dom. Sales Q-o-Q Q3 20-Q3 21	Exports Q-o-Q Q3 20-Q3 21
	▲ 13%	▲ 20%
	▲ 14%	▼ 22%
	▼ 1%	▲ 7%
	▲ 28%	▲ 2%
	▼ 59%	▼ 11%
<b>TOTAL</b>	▲ 11%	▲ 10%

## Key Updates

### Past Trends

- 2020 was one of the most challenging years in the history of India's automotive industry. Lockdowns in the first half of FY 21 led to a large decline in overall industry sales, due to disrupted supply and reduced demand.
- The final 4 months of 2020 showed the beginning of the recovery process, with overall sales growing every month (on a year-on-year basis). Some of the key reasons for this:
  - Pent-up demand from earlier months
  - Preference for personal modes of transport
  - Beginning of the festive season in India
  - Improved consumer sentiment and economic reopening.

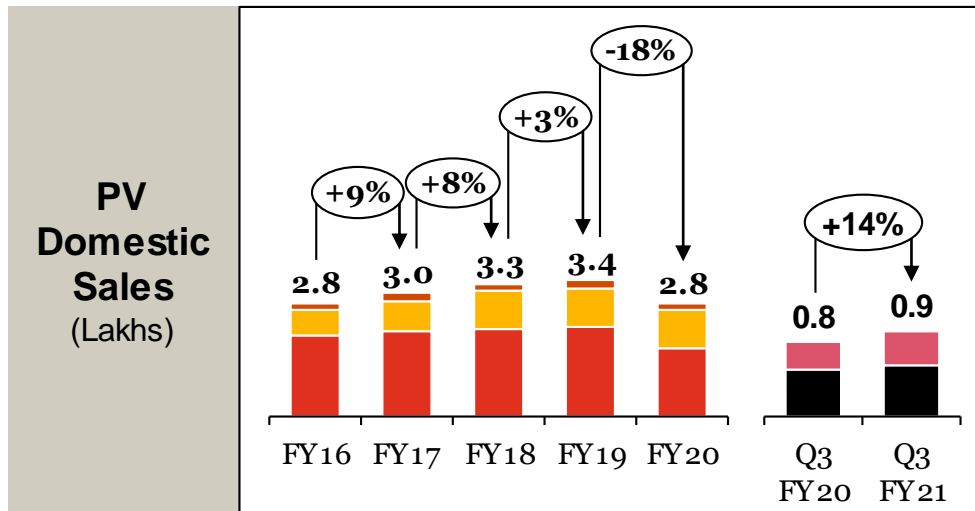
### Going Forward

- Prioritization of personal mobility over shared mobility will continue until a return to normalcy from the COVID pandemic.
- Connected and safer vehicles will gain center stage, and become a key purchase criteria in 2021.
- Several OEMs launched vehicle-as-a-subscription services, which will grow in the metro areas but remain a niche segment overall.
- Increasing digitization and automation of sales and marketing channels
- Automotive dealerships are expected to become smaller, more digital and move increasingly to a 'Hub and Spoke' format.
- Strong agricultural incomes are expected to continue helping grow the rural market.

# *Segment wise Q3 FY 21 industry performance*

# Passenger vehicles

■ Passenger Cars ■ Utility Vehicles(UVs) ■ Vans

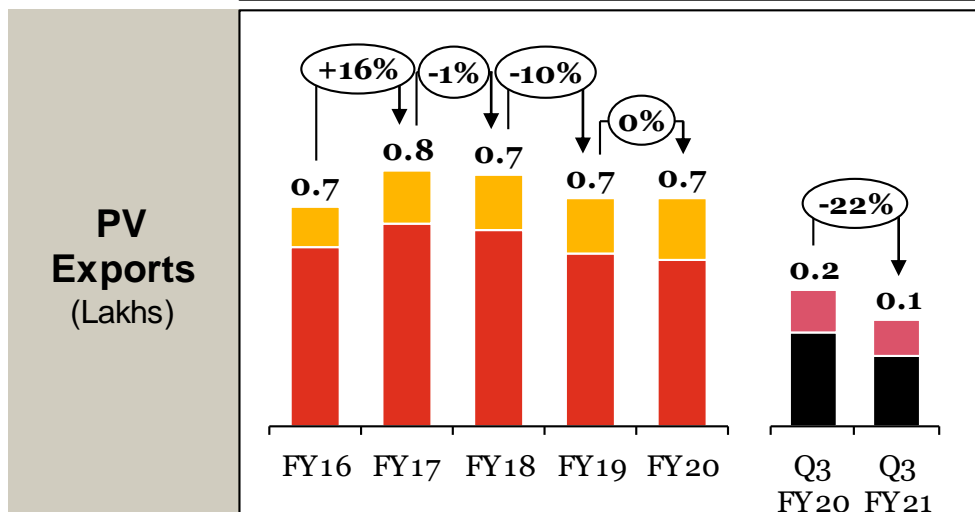


### Market Share Q3 FY21

Maruti Suzuki India Ltd	49.02%
Hyundai Motor India Ltd	17.02%
Tata Motors Ltd	7.72%
Kia Motors India Pvt Ltd	6.00%
Other	20.24%

### Key Trends

- Passenger Vehicle sales saw a strong recovery in the final quarter of 2020.
- Pent-up demand from the lockdown, along with continued fears about using shared mobility and public transport have aided sales.
- The rural market continues to show growing demand for cars.



### Market Share Q3 FY21

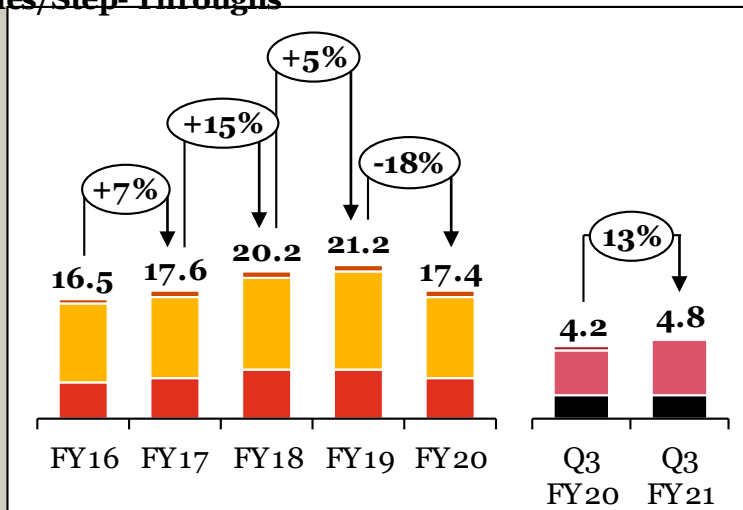
Hyundai Motor India Ltd	30.86%
Maruti Suzuki India Ltd	20.79%
Ford India Private Ltd	10.06%
General Motors India Pvt Ltd	8.81%
Other	29.47%

- PV exports are down 46% year-on-year.
- Growing the export business remains a challenge due to the continued challenges posed by COVID-19.
- Hyundai Motors took the highest market share in the 3<sup>rd</sup> quarter, above Maruti Suzuki.

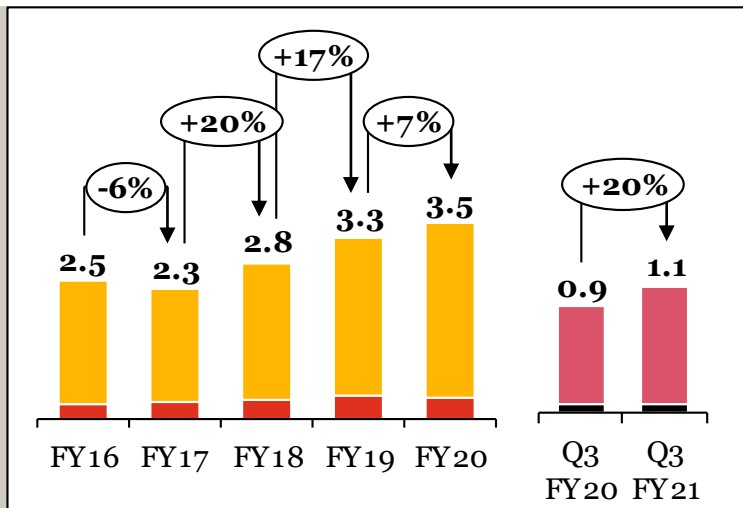
## 2 wheelers

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

**2W Domestic Sales**  
(Lakhs)



**2W Exports**  
(Lakhs)



### Market Share Q3 FY21

Hero MotoCorp Ltd	37.48%
Honda Motorcycle & Scooter India Pvt Ltd	24.03%
TVS Motor Company Ltd	15.18%
Bajaj Auto Ltd	12.24%
Other	11.07%

### Key Trends

- Recovery in two wheeler sales is driven by demand in tier 2 and tier 3 cities.
- The bump in sales is down to the festive period, along with the overall recovery seen in the Indian economy.
- Strong demand for higher-end models have aided the profit margins of manufacturers.

### Market Share Q3 FY21

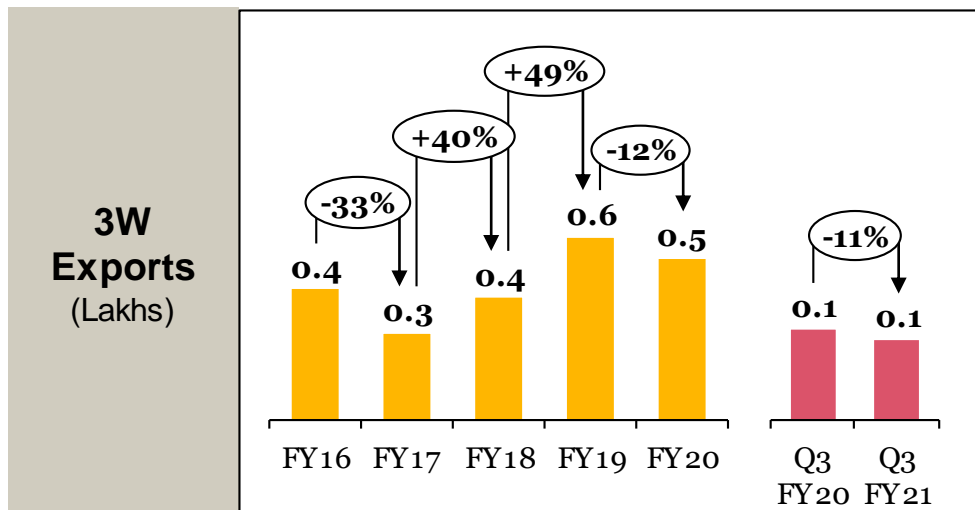
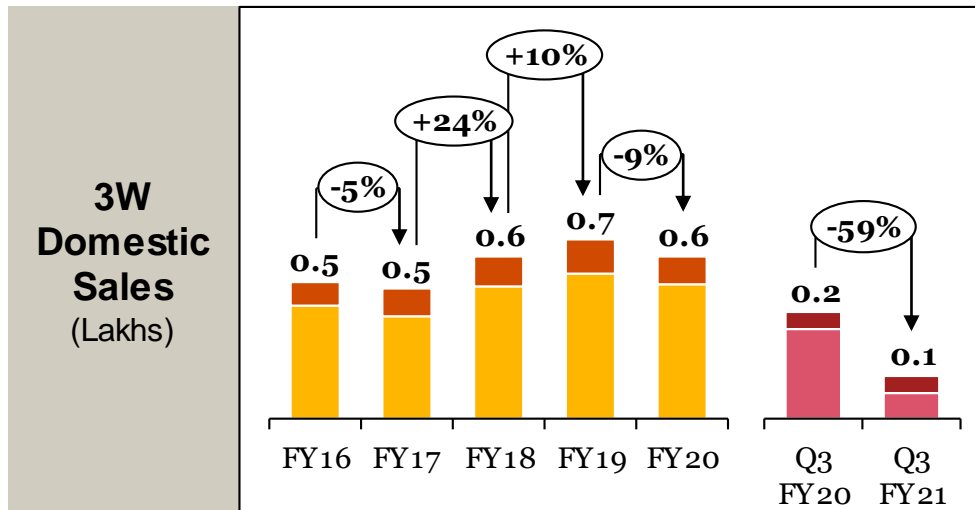
Bajaj Auto Ltd	57.08%
TVS Motor Company Ltd	21.18%
Honda Motorcycle & Scooter India Pvt Ltd	6.97%
India Yamaha Motor Pvt Ltd	5.60%
Other	9.17%

- Bajaj Auto remains the market leader in exporting 2-wheelers from India
- African markets have seen comparatively lower impacts from COVID-19, while the Latin American market has seen a stronger rebound in Q3.



## 3 wheelers

Passenger Carrier Goods Carrier



**Market Share Q3 FY21**

Bajaj Auto Ltd	47.58%
Piaggio Vehicles Pvt Ltd	27.65%
Mahindra & Mahindra Ltd	13.67%
Atul Auto Ltd	7.51%
Other	3.58%

**Market Share Q3 FY21**

Bajaj Auto Ltd	65.32%
TVS Motor Company Ltd	29.58%
Piaggio Vehicles Pvt Ltd	4.12%
Force Motors Ltd	0.67%
Other	0.31%

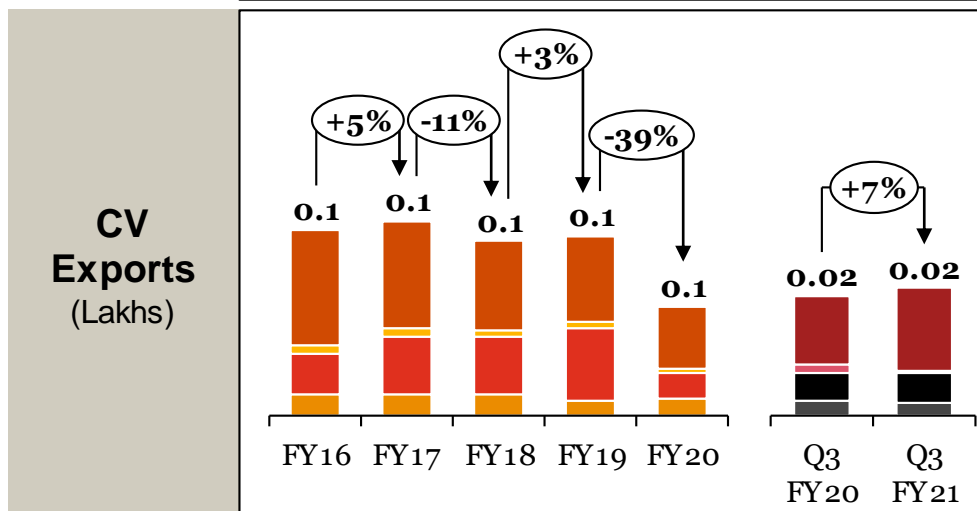
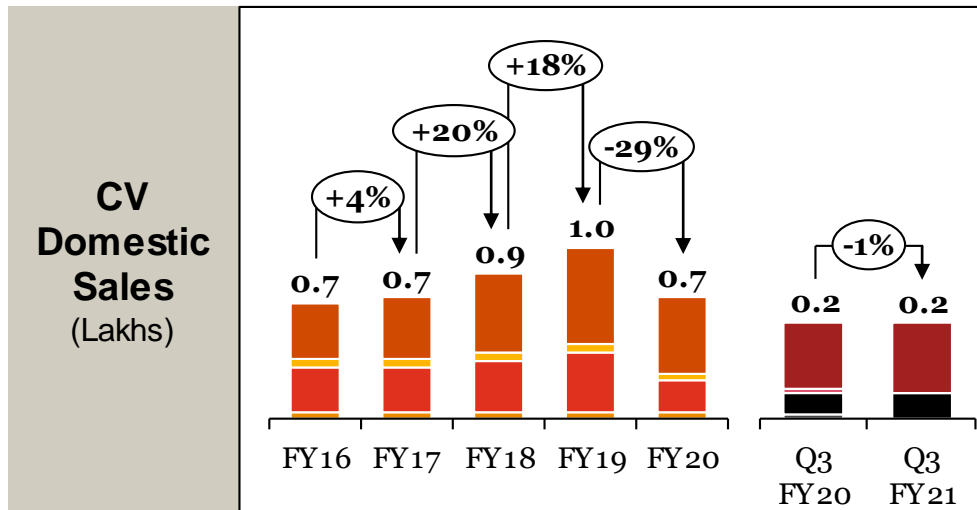
**Key Trends**

- Reduced industrial activity, lockdown of schools have hurt demand for 3 wheelers.
- Short and medium distance travel remains reduced post-pandemic.
- High raw material prices are negatively impacting margins for manufacturers.

- Bajaj Auto remains the largest player in this segment.
- Cap on MEIS subsidies at Rs. 2 Cr.

# Commercial vehicles

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



### Market Share Q3 FY21

Tata Motors Ltd	42.29%
Mahindra & Mahindra Ltd	27.74%
Ashok Leyland Ltd	15.78%
Maruti Suzuki India Ltd	6.26%
Other	7.93%

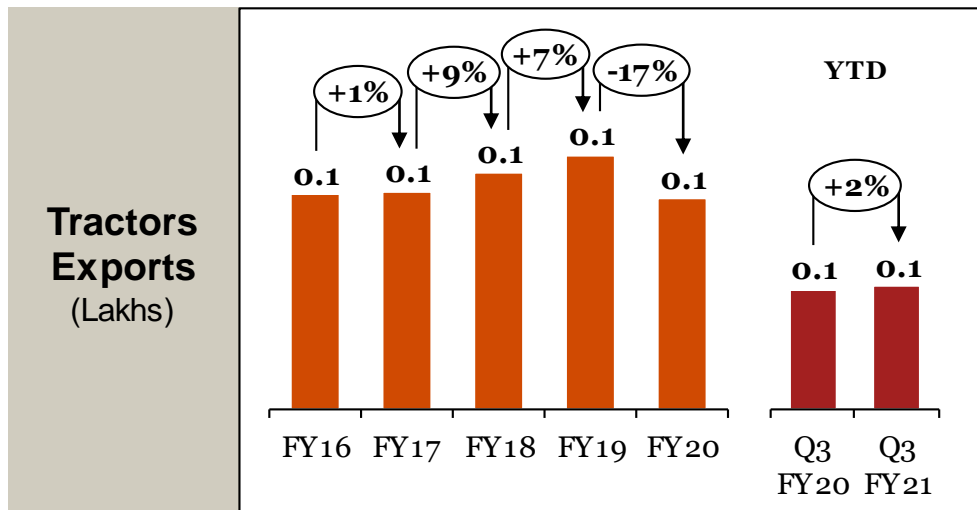
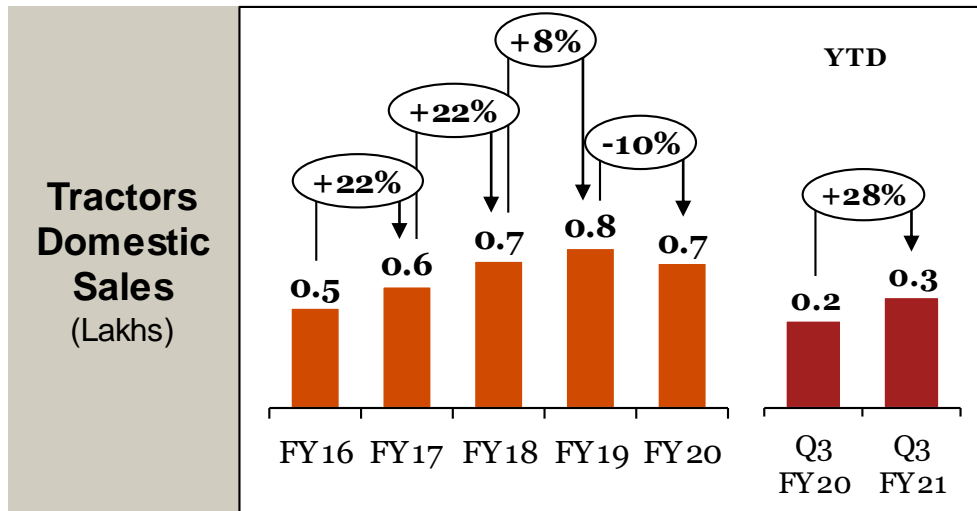
- ### Key Trends
- Commercial Vehicle sales have improved in tandem with the recovery in the Indian economy.
  - The recently approved scrappage policy should aid renewal of the vehicle fleet in the near future.
  - Government announcement of higher infrastructure spending likely to aid CV sales

### Market Share Q3 FY21

Tata Motors Ltd	42.49%
Mahindra & Mahindra Ltd	21.57%
Ashok Leyland Ltd	17.55%
VECV-Eicher	8.39%
Other	10.00%

- Global industrial shutdowns due to the pandemic have affected export volumes
- Weakening Rupee has hurt exporters

# Tractors



**Market Share Q3 FY21**

Mahindra & Mahindra Ltd.	37.79%
TAFE	16.99%
International Tractors Ltd.	13.07%
Escorts Ltd.	12.16%
Other	20.00%

**Market Share Q3 FY21**

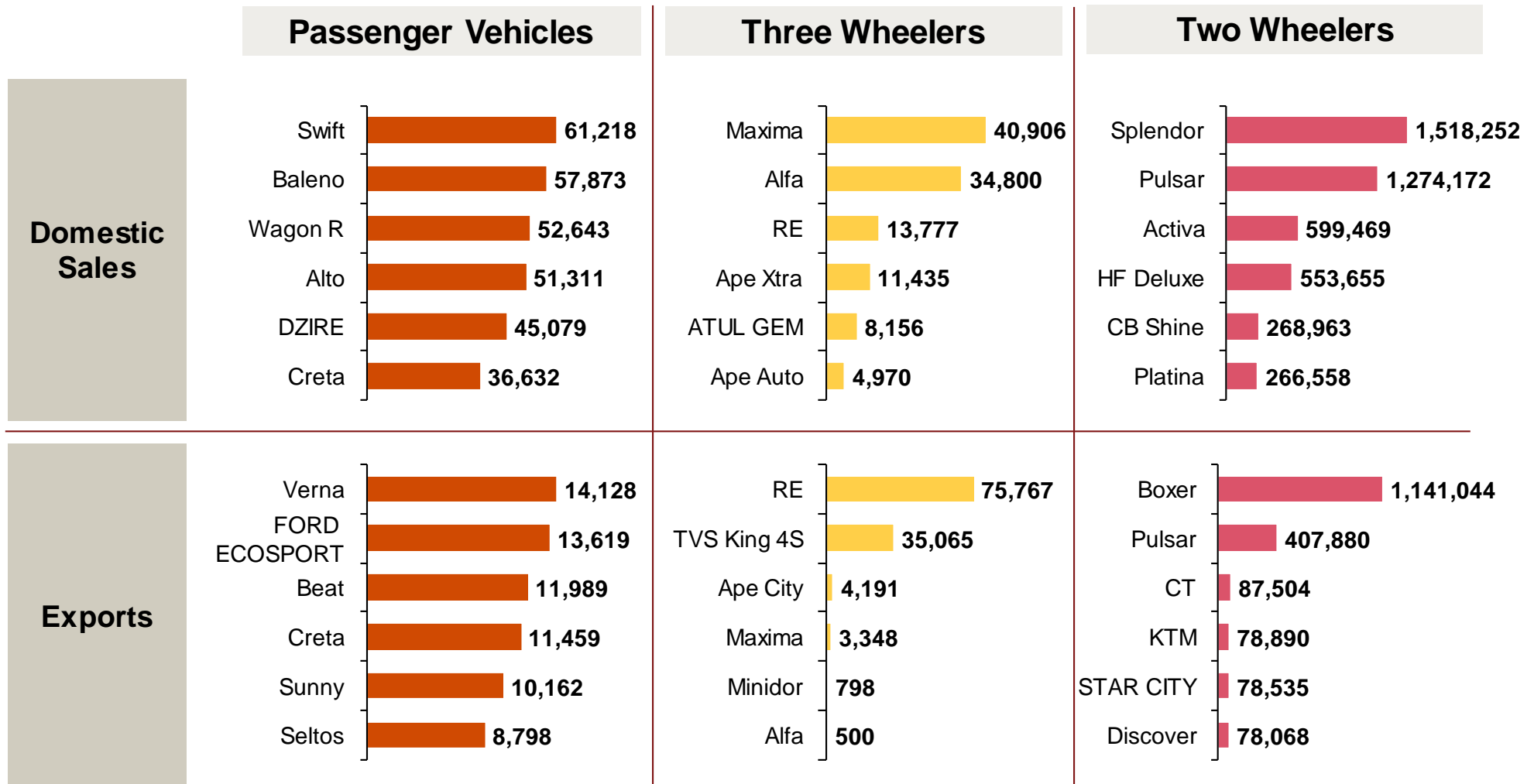
International Tractors Ltd.	26.03%
Johndeere	18.31%
TAFE	15.25%
New Holland India	13.18%
Other	27.23%

**Key Trends**

- Strong monsoons, rabbi crop harvest have raised agricultural incomes in 2020
- Tractor sales remain strong thanks to the strong rural economy.
- Rise in Minimum Support Price (MSP) aiding farmer incomes

- Tractor exports have grown as agricultural production has remained unaffected by COVID-19 lockdowns and restrictions globally

## Q3 FY21 Model-wise Sales





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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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