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Quarterly vehicle industry performance –Q3 FY24

Prepared for ACMA

Strictly private and confidential

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Contents

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

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

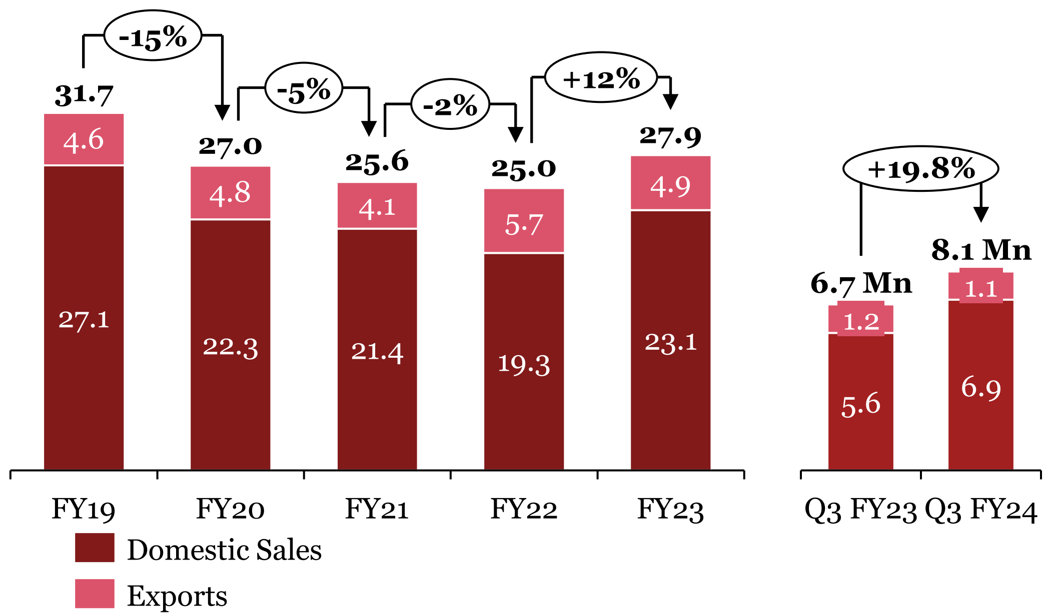
From this Contents page – click on the title of the section or sub-section

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

Executive Summary

Automotive industry performance overview
Q3 FY24

OEM - Domestic sales and exports | million units



Indian automotive domestic sales and exports experienced degrowth at an overall CAGR of 3.28% over the last 5 years.

Domestic demand continues to remain strong. Export uncertainties continues.

- Surge in consumer demand during the festive season compared to FY23.
- Decline in overall exports due to global uncertainty.

Vehicle segment	Dom. Sales Y-o-Y Q3 23-Q3 24	Exports Y-o-Y Q3 23-Q3 24
	▲29%	▲1%
	▲ 8%	▼1%
	▲ 3%	▲1%
	▲18%	▼27%
	▲ 38%	▼ 18%
TOTAL	▲24%	▼1%

*This slide includes EV numbers

Key Updates

Past Trends

- In recent quarters, entry-level vehicles across segments have exhibited lower or negative growth rates. In contrast, vehicles in semi-premium and premium segments have shown a considerably higher growth rate, signaling a K-shaped recovery post-COVID.
- Unseasonal rains have adversely affected the sales of tractors and 2Whs in rural India.
- Despite a reduction in the FAME subsidy by the government, the Electric Vehicle (EV) segment has continued to grow, underscoring a mature marketplace for EVs in India..
- The growth of electric 3-wheelers is largely attributed to last-mile mobility, as it emerges as a convenient and eco-friendly mode of transportation
- Increased demand for Utility Vehicles (UVs) is fueled by improved road infrastructure and heightened safety perceptions in recent quarters.

Going Forward

- Potential favorable crop prices and expected fuel price reductions due to approaching general elections may drive demand, especially in the two-wheeler segment.
- Expectation of a strong FAME-III policy may drive capacity expansion across EV vehicle segment.
- Tractor sales are expected to rise after the harvest season.
- Passenger vehicle (PV) manufacturers may have to grapple with high inventory levels at dealers and adjust production accordingly.
- Global geopolitical unrest is expected to contribute to volatility in crude oil prices.
- The government’s continued push for investments in India’s infrastructure suggests sustainable demand for trucks and buses in upcoming quarters.
- Conclusion of elections in Bangladesh may result in an increase in the export of three-wheelers.
- Exports of commercial vehicles, cars, and 2-wheelers shall continue to face headwinds due to global uncertainty.

Segment wise Q3 FY24 industry performance

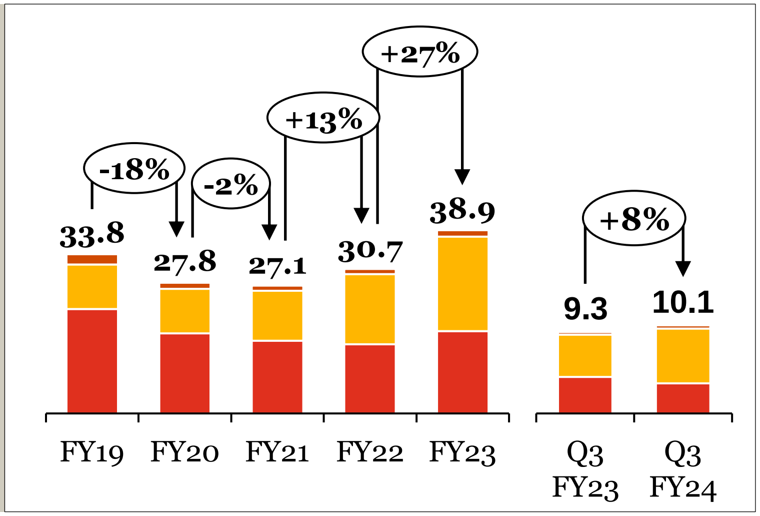
Passenger vehicles

(Internal combustion engine)

Passenger Cars | Utility Vehicles (UVs) | Vans

*Reported numbers do not include sales of luxury vehicles
**Reported numbers only include the sale of Internal combustion engine vehicles

PV Domestic Sales (Lakhs)

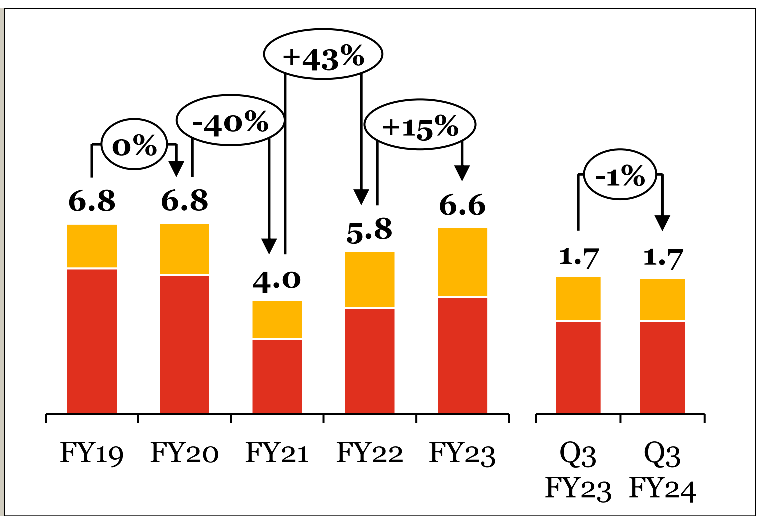


Market Share Q3 FY24	
Maruti Suzuki India Ltd	40.17%
Hyundai Motor India Ltd	14.54%
Tata Motors Ltd**	13.84%
Mahindra & Mahindra Ltd	11.73%
Other	19.71%

Key Trends

- The sale of UVs has increased by 30% (vs. Q3 FY23). In contrast, the sale of passenger cars has reduced by 18%, indicating a shift in consumer preference.
- The sale of UVs grew much higher in October, ahead of the festive season, with close to 2 lakh vehicles sold (40% increase vs. Oct'23)

PV Exports (Lakhs)



Market Share Q3 FY24	
Maruti Suzuki India Ltd	42.04%
Hyundai Motor India Ltd	25.76%
Kia Motors India Pvt Ltd	5.04%
Nissan Motor India Pvt Ltd	6.79%
Other	20.37%

- Overall passenger vehicle exports remained relatively stable, with a slight dip in passenger cars and UVs compared to Q3 FY23.
- The export of vans showed an increase. 1882 vans were exported in Q3 FY24 compared to 52 in Q3 FY23.
- Verna and Baleno were the most exported vehicles from India during the quarter.

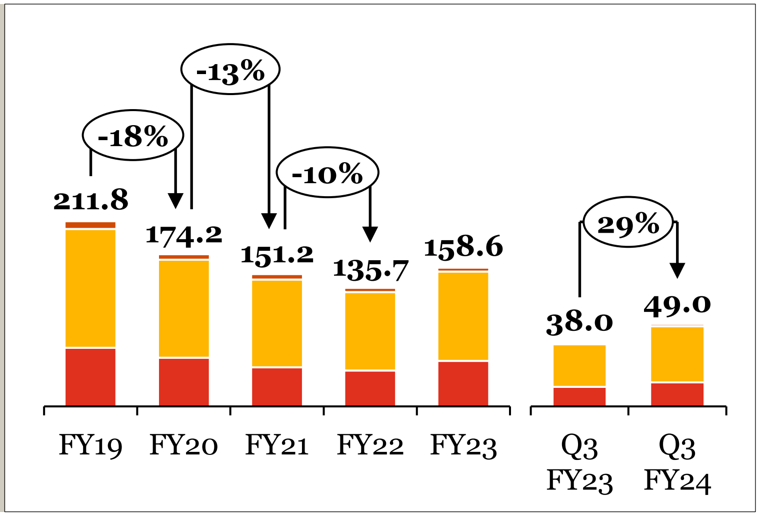
Source : SIAM, PwC Analysis

2 wheelers
(Internal combustion engine)

Scooter/Scooterettee   Motor cycles/Step- Throughs   Mopeds

*Reported numbers only include sale of Internal combustion engine vehicles

2W Domestic Sales (Lakhs)

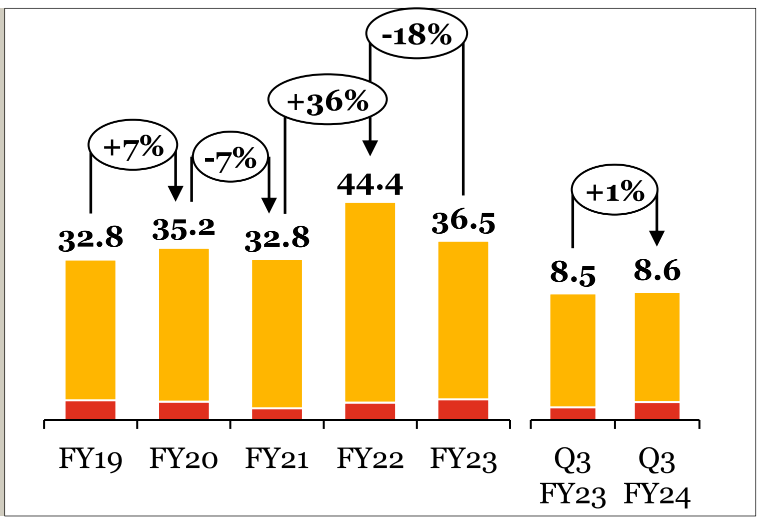


Market Share Q3 FY24	
Hero MotoCorp Ltd	29.91%
Honda Motorcycle & Scooter India Pvt Ltd	24.74%
TVS Motor Company Ltd	17.92%
Bajaj Auto Ltd	13.78%
Other	13.65%

Key Trends

- The sale of entry-level motorcycles (75-110cc) picked up during the festive season in October and November. (33% and 34% increase compared to Oct'22 and Nov'22 respectively).
- The sale of motorcycles in 200-250cc segment rose by 270% Y-o-Y.

2W Exports (Lakhs)



Market Share Q3 FY24	
Bajaj Auto Ltd	43.55%
TVS Motor Company Ltd	25.63%
Honda Motorcycle & Scooter India Pvt Ltd	9.97%
Suzuki Motorcycle India Pvt Ltd	6.53%
Other	14.32%

- Scooter exports rose by 45%, as opposed to those of motorcycles which decreased by 3.5%.
- The export of scooters with engine capacity between 90-110cc consisting of the bulk of exports rose by 48% y-o-y

Source : SIAM, PwC Analysis

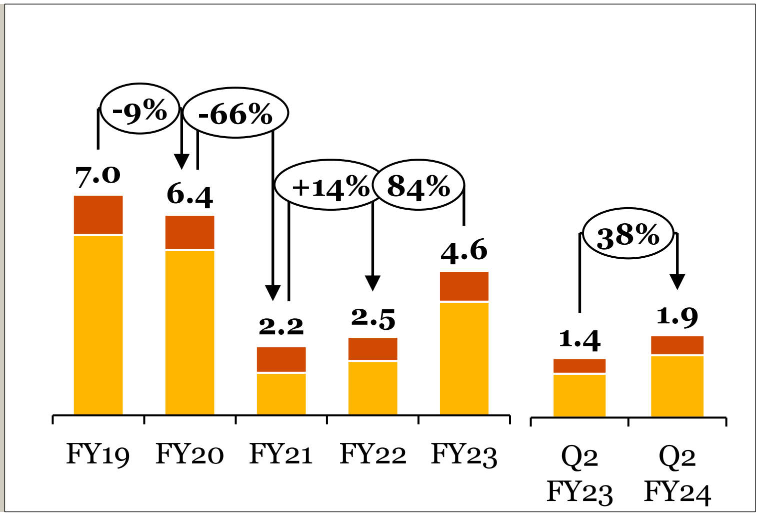
3 wheelers

(Internal combustion engine)

Passenger Carrier **Goods Carrier**

*Reported numbers only include sale of Internal combustion engine vehicles

3W Domestic Sales (Lakhs)

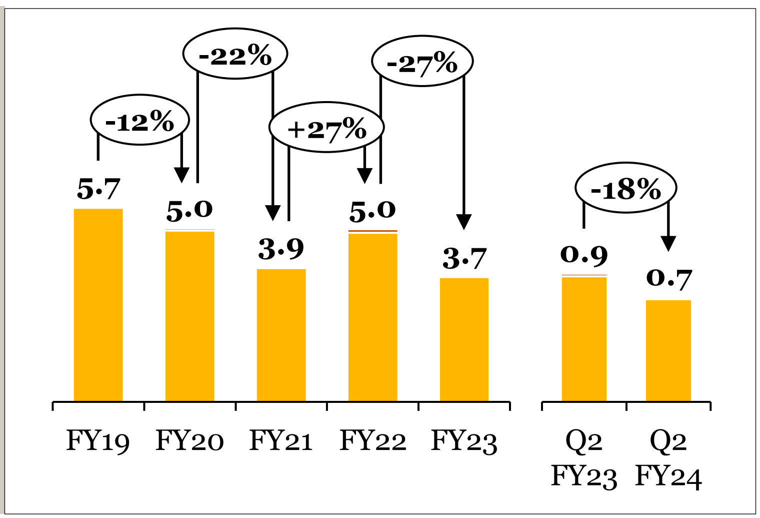


Market Share Q3 FY24	
Bajaj Auto Ltd	65.52%
Piaggio Vehicles Pvt Ltd	15.58%
Mahindra & Mahindra Ltd	11.37%
Atul Auto Ltd	3.76%
Other	3.77%

Key Trends

- Sale of 3Wh passenger carriers up to 4 seats increased by 42%. Total sales exceeded 60 thousand in the month of October (47% increase vs Oct'22).
- Sale of goods carrier increased by 13% (vs. Q3 FY23)

3W Exports (Lakhs)



Market Share Q3 FY24	
Bajaj Auto Ltd	49.59%
TVS Motor Company Ltd	43.81%
Force Motors Ltd	1.41%
Piaggio Vehicles Pvt Ltd	3.81%
Other	1.39%

- Passenger Carriers consisted of 98% of the total exports.
- Export of passenger carriers reduced by 18% and that of goods carriers by 22% Y-o-Y.
- Bajaj RE and TVS King were the most exported models from India.

Source : SIAM, PwC Analysis

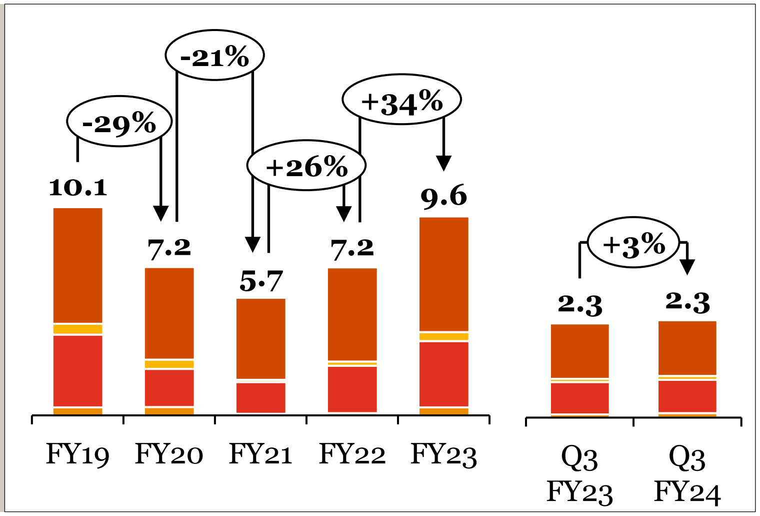
Commercial vehicles

(Internal combustion engine)

M&HCV Passenger | M&HCV Goods | LCV Passenger | LCV Goods

*Reported numbers do not include Daimler India commercial vehicles and Volvo buses

CV Domestic Sales (Lakhs)

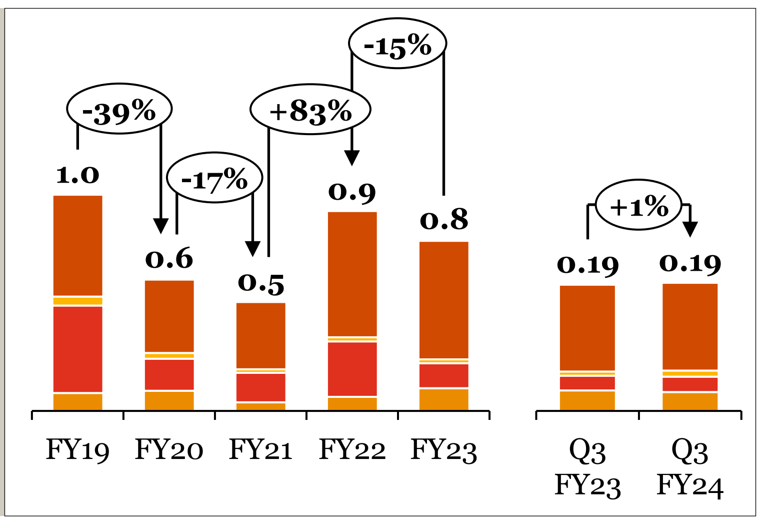


Market Share Q3 FY24	
Tata Motors Ltd	38.16%
Mahindra & Mahindra Ltd	28.09%
Ashok Leyland Ltd	18.83%
VECV-Eicher	8.21%
Other	6.71%

Key Trends

- The 1.1% growth rate in LCV segment is majorly responsible for the overall slow growth rate in commercial vehicles.
- Robust replacement demand for BS-VI, phase-II compliant trucks and growth in the infrastructure and construction industry ensured a 6.7% growth rate for M&HCV.

CV Exports (Lakhs)



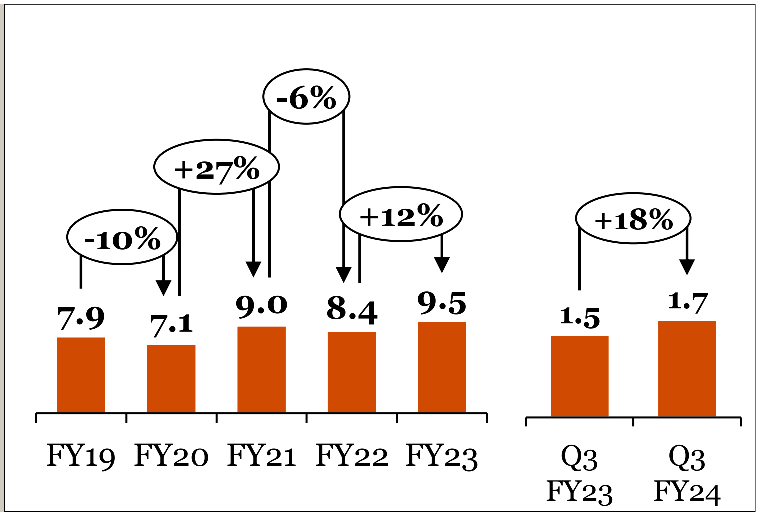
Market Share Q3 FY24	
Tata Motors Ltd	25.25%
Mahindra & Mahindra Ltd	14.16%
Isuzu Motors India Pvt Ltd	36.01%
Ashok Leyland Ltd	16.54%
Other	8.04%

- Export figures remained relatively stable, with Light Commercial Vehicles (LCVs) contributing 73% to the overall volume. The export numbers for LCVs in Q3 FY24 mirrored those of Q3 FY23.
- In the M&HCV segment, the drop in the export of passenger carriers was balanced by an increase in the export of goods carriers.

Source : SIAM, PwC Analysis

Tractors

Tractors Domestic Sales (Lakhs)

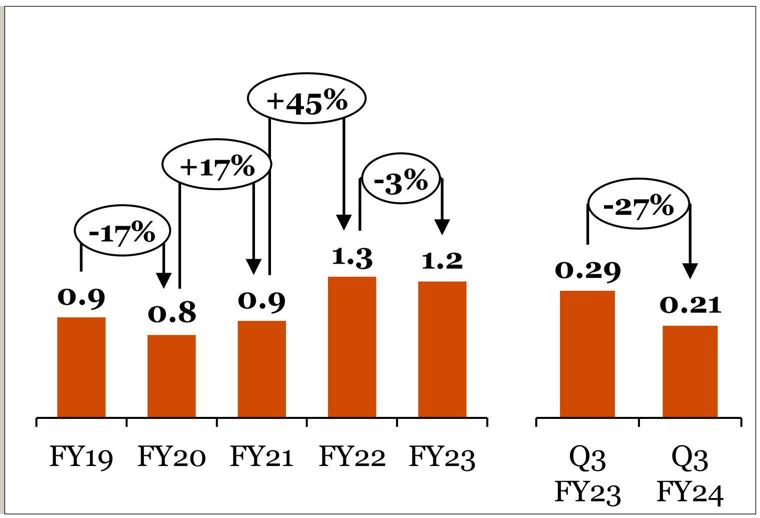


Market Share Q3 FY24	
Mahindra & Mahindra Ltd.	36.93%
International Tractors Ltd.	19.23%
TAFE	15.84%
Escorts Ltd.	9.50%
Other	18.51%

Key Trends

- Weak Agri sentiment and rural slowdowns led to sluggish tractor sales.
- This slowdown was offset by the growth during the festive season.
- Rural sentiments were also impacted by delays in crop harvest and lower rabi sowing.

Tractors Exports (Lakhs)



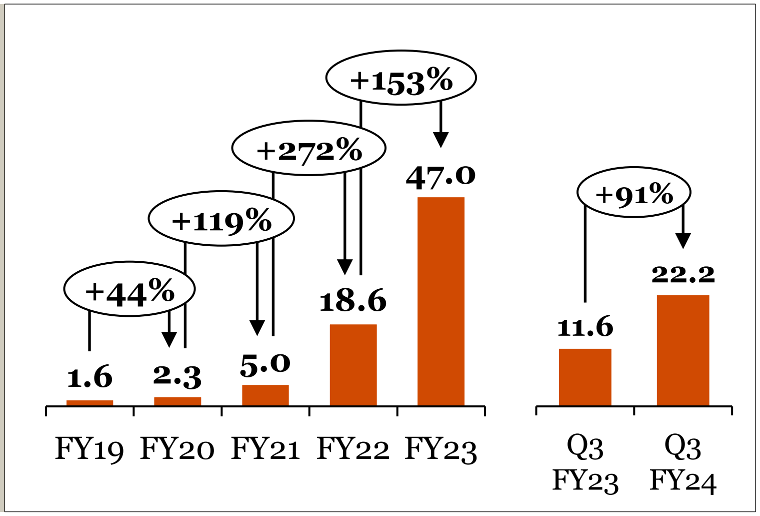
Market Share Q3 FY24	
International Tractors Ltd.	37.53%
TAFE	13.90%
Johndeere	13.10%
Mahindra & Mahindra Ltd.	12.42%
Other	23.04%

- Exports continued to decline due to the weakening of the local currency and high inflation rates in developed economies
- The poor performance in exports can be attributed to uncertainties in the major European market.

Source : CRISIL, PwC Analysis

Electric Vehicles – 2W & PV

ePV Domestic Sales (Thousands)

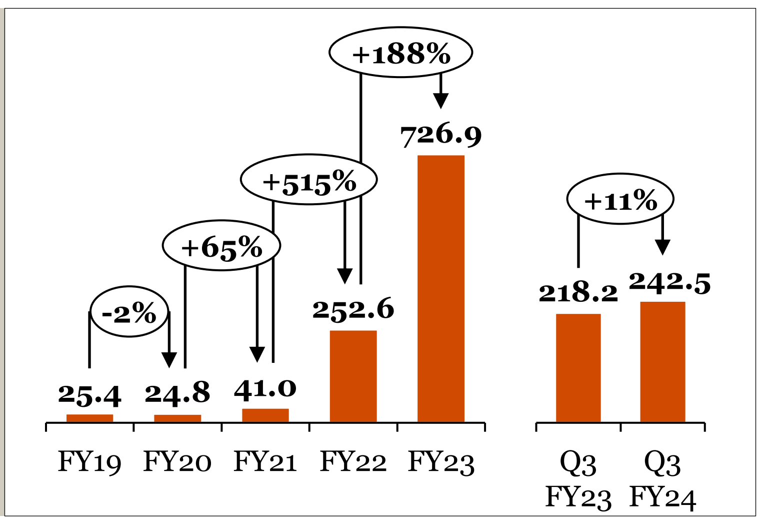


Market Share Q3 FY24	
Tata Passenger Electric Mobility Ltd	**67.79%**
Mg Motor India Pvt Ltd	**12.84%**
Mahindra & Mahindra Limited	**6.59%**
Bmw India Pvt Ltd	**2.47%**
Others	**10.31%**

Key Trends

- e-PV accounted for less than 2% of the total Passenger vehicles sold in the country.
- Growth can be attributed to network effects and reduced transition anxiety amongst customers.
- Launch of multiple new EV models in lower price ranges also resulted in higher sales.

e2W Domestic Sales (Thousands)



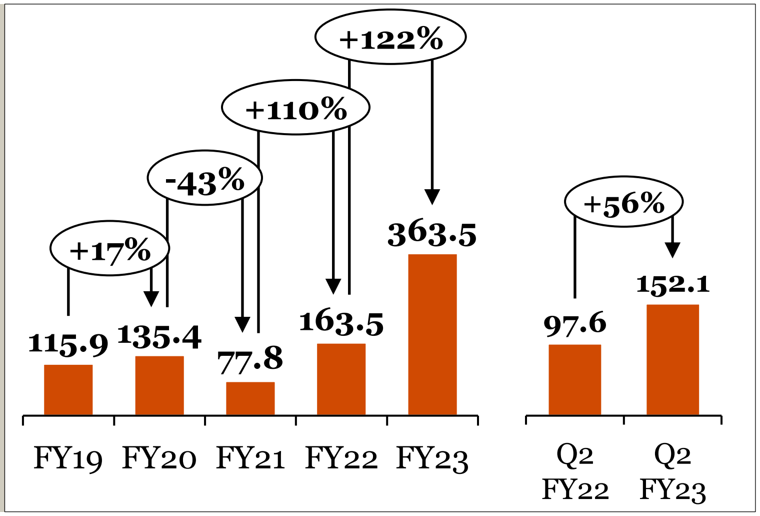
Market Share Q3 FY24	
Ola Electric Technologies Pvt Ltd	**34.66%**
Tvs Motor Company Ltd	**19.74%**
Bajaj Auto Ltd	**12.90%**
Ather Energy Pvt Ltd	**10.00%**
Others	**22.70%**

- e-2Wh accounted for close to 5% of the total 2Wh sale.
- e-2Whs accounted for 49% of the total EV sales in India.
- Adoption was led by Uttar Pradesh, followed by Maharashtra.

Source : Vahan Dashboard. Data from 1331 out of 1409 RTOs across 34 out of 36 state/UTs, PwC Analysis

Electric Vehicles – 3W

Passenger e3W Domestic Sales
(Thousands)

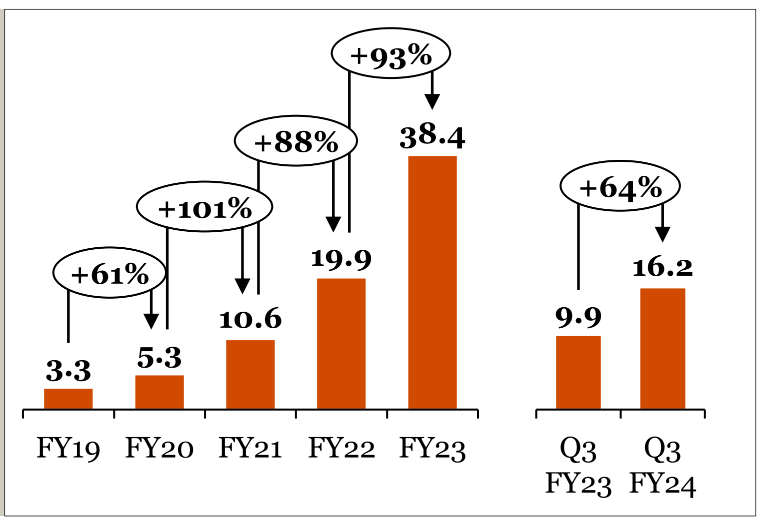


Market Share Q3 FY24	
Yc Electric Vehicle	7.16%
Mahindra Last Mile Mobility Ltd	6.78%
Saera Electric Auto Pvt Ltd	5.34%
Dilli Electric Auto Pvt Ltd	3.72%
Others	77.00%

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.
- e-3Wh sales grew by 56% due to increasing demand from last-mile operators for various other applications.
- E-rickshaw sales grew by 15%

Cargo e3W Domestic Sales
(Thousands)



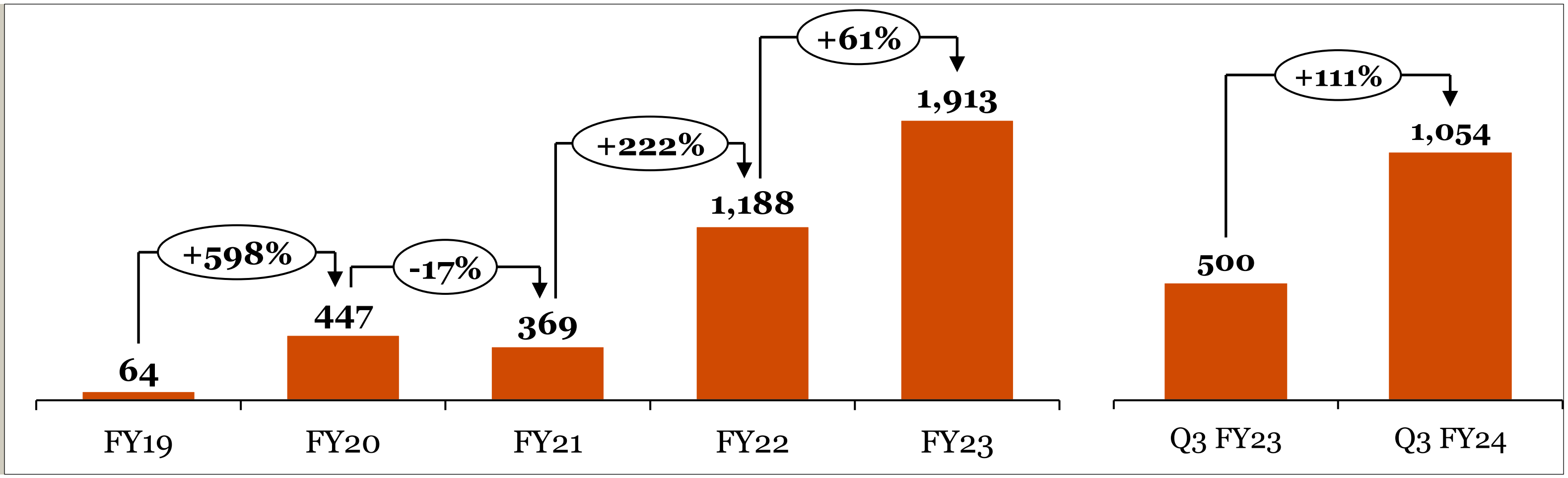
Market Share Q3 FY24	
Mahindra Last Mile Mobility Ltd	8.27%
Piaggio Vehicles Pvt Ltd	6.03%
Euler Motors Pvt Ltd	5.36%
Dilli Electric Auto Pvt Ltd	5.25%
Others	75.09%

- e-3Wh accounted for 45% of total EV sales in India.
- With fast-rising demand for last-mile delivery, particularly in urban India, the hub-and-spoke model is now accelerating demand for cargo-ferrying three-wheelers leading to a growth of 64% in sales.
- E-cart sales grew by 36%.

Source : Vahan Dashboard. Data from 1331 out of 1409 RTOs across 34 out of 36 state/UTs, PwC Analysis

Electric Vehicles – Buses

E-Bus Domestic Sales (Units)



Market Share Q3 FY24	
Tata Motors Ltd	**64.80%**
Olectra Greentech Ltd	**15.94%**
Jbm Auto Limited	**15.37%**
Switch Mobility Automotive Ltd	**1.23%**
Others	**2.66%**

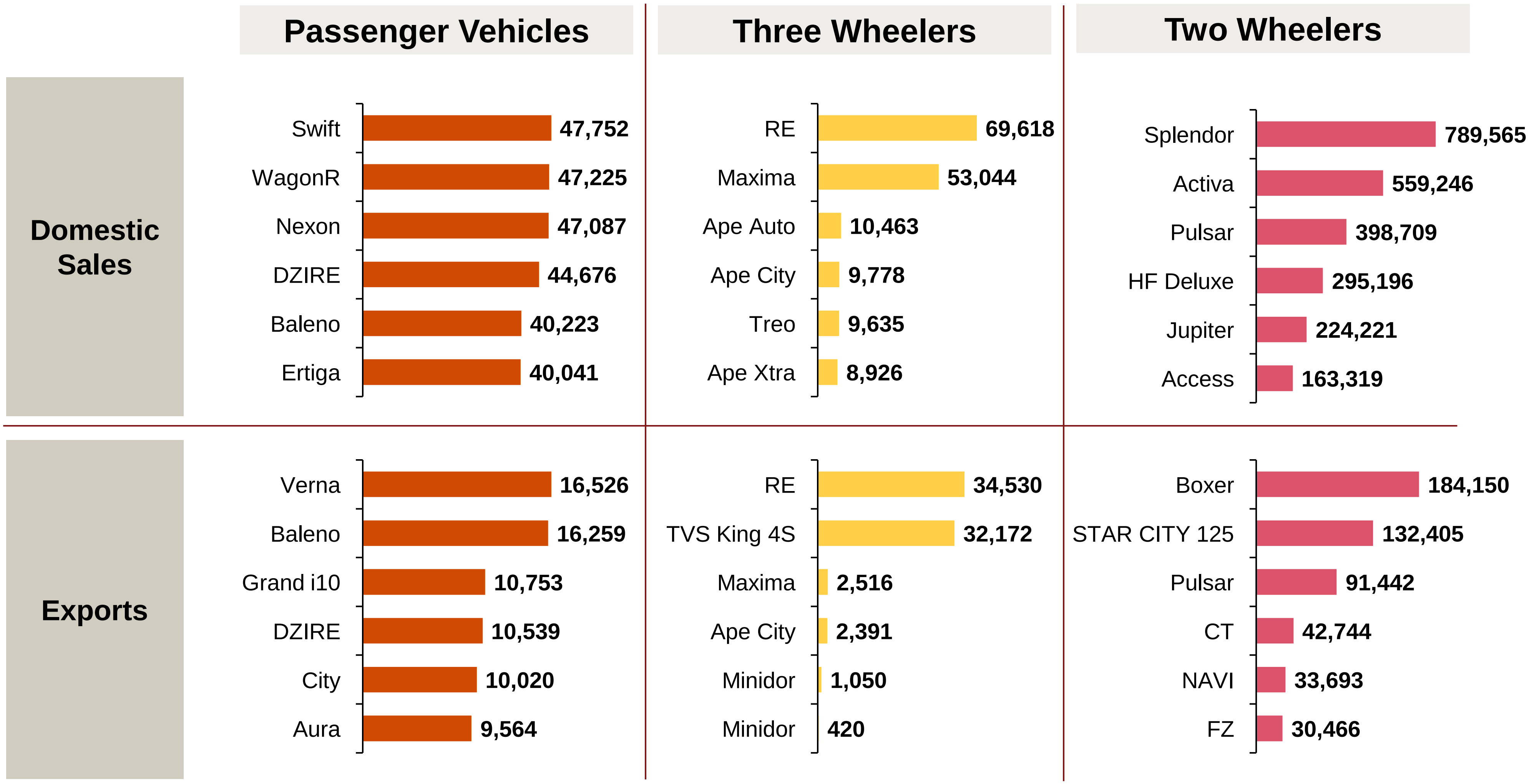
Key Trends

- The growth is majorly led by Tata Motors Ltd, as they increased their market share from 3% (15 e-Buses sold in Q3 FY23) to ~65% (683 e-Buses sold in Q3 FY24).
- India aims to increase the number of e-buses to 50 thousand by the year 2027 from the current figure of 12 thousand as the government sets up a $390Mn fund in partnership with the US and philanthropic groups.

Source : Vahan Dashboard. Data from 1331 out of 1409 RTOs across 34 out of 36 state/UTs, PwC Analysis

Q3 FY24 Model-wise Sales

(Internal combustion engine)



Source : SIAM, PwC Analysis

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