

# Automobiles & Components

India

Sector View: **Cautious**

NIFTY-50: **22,339**

**March 04, 2024**

## PV and 2W segments maintain momentum

Auto sales maintained the trends, with PV and 2W maintaining a positive run, whereas CV and tractor segment sales momentum continued to be weak. PV segment volumes witnessed a low double-digit improvement yoy in February 2024. Domestic 2W wholesale volumes witnessed >20% yoy growth, driven by a recovery in the rural segment, which came in marginally above our expectations. CV segment volumes declined in the low single digits yoy, whereas tractor volumes declined in the high teens.

### Domestic PV wholesale volumes grew in low double-digits yoy in February 2024

Based on our estimates, domestic PV industry wholesale volumes increased in the low double digits yoy, driven by steady demand trends and channel filling, whereas retail sales grew in the high single digits during the month. MSIL's domestic volumes rose 9% yoy in February 2024, led by strong growth in the SUV segment, partly offset by a decline in hatchback and sedan segment volumes. As per our estimates, Maruti Suzuki's wholesales market share stood at ~42.8% (-120 bps yoy). Tata Motors reported a 19% yoy improvement in PV volumes, whereas M&M's volumes increased by 40% yoy in February 2024. Hyundai Motors reports 7% yoy growth, whereas Toyota witnessed strong growth of 52% yoy in February 2024.

### Domestic 2W wholesale volumes grew >20% in February 2024

Domestic 2W wholesale segment volumes came in marginally above our expectations, with growth of >20% yoy. Growth in the domestic market was driven by steady demand trends and a favorable base. Exports demand trends improved and witnessed a sharp improvement in volumes mom, especially for TVS Motors. HMCL's volumes increased 19% yoy, whereas TVS Motors reported a 33% yoy increase in volumes, driven by a strong uptick in the export segment. Royal Enfield's volumes improved 6% yoy, driven by a 5% yoy increase in domestic volumes and a 13% increase in export volumes. Bajaj Auto reported a 25% yoy increase in two-wheeler volumes in February 2024.

### CV segment volumes came in line with our expectations

Domestic CV segment volumes declined in the low single digits yoy, which came in line with our expectations. Tata Motors' domestic CV volumes declined by 4% yoy, led by a 12% yoy decline in the M&HCV trucks and (2) a 4% yoy decline in SCV cargo segment, partly offset by a 29% yoy increase in the bus segment. Ashok Leyland reported a 6% yoy decline in volumes in February 2024. However, VECV reported a 2% yoy improvement in CV segment volumes in February 2024.

### Weak rural sentiment continues to impact demand for domestic tractor volumes

Based on our estimates, domestic tractor industry volumes saw a high-teen decline yoy, owing to the tapering of agriculture activities led by: (1) weakness in southern and western markets due to diminished kharif output and (2) lower rabi sowing. However, improved rabi sowing and a normal monsoon forecast for next year should support demand recovery in the coming months. M&M/ Escorts' total tractor volumes declined 16%/17% yoy in February 2024.

### Quick Numbers

MSIL total volumes improved by 15 yoy, led by 83% yoy improvement in SUV segment volumes

M&M PV volumes grew 40% yoy in February 2024

Tata Motors PV volumes improved 19% yoy in February 2024

Royal Enfield's two-wheeler volumes grew 6% yoy in February 2024

TVS Motors' total volumes increased 33% yoy in February 2024

HMCL's two-wheeler volumes grew 19% yoy in February 2024

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### VECV volumes improved by 2% yoy in February 2024

Exhibit 4: VECV monthly sales volume, March fiscal year-ends (units)

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	FYTD	
														2024	2023
Domestic volumes	6,799	11,263	6,142	5,876	6,227	5,311	5,907	6,715	7,078	4,686	7,468	6,503	6,930	68,843	61,564
Export volumes	301	414	257	250	250	425	332	250	201	303	321	355	316	3,260	4,519
Volvo Volumes	189	229	168	213	188	141	237	233	208	205	236	208	178	2,215	1,634
<b>Total sales</b>	<b>7,289</b>	<b>11,906</b>	<b>6,567</b>	<b>6,339</b>	<b>6,665</b>	<b>5,877</b>	<b>6,476</b>	<b>7,198</b>	<b>7,487</b>	<b>5,194</b>	<b>8,025</b>	<b>7,066</b>	<b>7,424</b>	<b>74,318</b>	<b>67,717</b>
<b>Yoy change (%)</b>															
Domestic volumes	33.5	42.0	28.9	16.7	11.5	(0.9)	30.4	12.1	27.4	4.5	11.9	(4.2)	1.9	11.8	
Export volumes	(53.8)	(36.5)	(60.5)	(46.9)	(58.4)	(15.2)	(8.5)	(50.6)	(43.5)	27.8	(3.3)	76.6	5.0	(27.9)	
Volvo Volumes	70.3	3.2	54.1	60.2	54.1	16.5	115.5	75.2	63.8	12.0	8.3	10.1	(5.8)	35.6	
<b>Total sales</b>	<b>24.5</b>	<b>35.2</b>	<b>18.9</b>	<b>12.5</b>	<b>5.7</b>	<b>(1.8)</b>	<b>29.4</b>	<b>8.6</b>	<b>24.0</b>	<b>5.9</b>	<b>11.1</b>	<b>(1.6)</b>	<b>1.9</b>	<b>9.7</b>	
<b>4-year CAGR (%)</b>															
Domestic volumes	6.2	11.3	13.8	7.2	10.8	9.5	17.1	20.9	20.9	12.3	14.1	7.5	15.6		
Export volumes	(24.6)	(23.6)	4.1	(4.8)	(9.1)	8.6	1.1	(17.2)	(14.3)	(11.9)	(10.5)	(9.0)	(13.5)		
Volvo Volumes	24.5	17.1	85.2	110.7	66.3	34.5	37.1	104.0	33.9	31.8	24.6	38.1	26.6		
<b>Total sales</b>	<b>3.8</b>	<b>8.6</b>	<b>14.0</b>	<b>7.5</b>	<b>9.9</b>	<b>9.8</b>	<b>16.3</b>	<b>17.4</b>	<b>18.8</b>	<b>9.6</b>	<b>12.3</b>	<b>6.3</b>	<b>12.8</b>		

Source: Company, Kotak Institutional Equities

### Royal Enfield volume improved by 6% yoy in February 2024

Exhibit 5: Royal Enfield monthly sales volume, March fiscal year-ends (units)

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	FYTD	
														2024	2023
<b>Sales volume (units)</b>															
<b>Royal Enfield</b>	<b>71,544</b>	<b>72,235</b>	<b>73,136</b>	<b>77,461</b>	<b>77,109</b>	<b>73,177</b>	<b>77,583</b>	<b>78,580</b>	<b>84,435</b>	<b>80,251</b>	<b>63,327</b>	<b>76,187</b>	<b>75,935</b>	<b>837,181</b>	<b>762,660</b>
Domestic	64,436	59,884	68,881	70,795	67,495	66,122	69,393	74,261	80,958	75,137	57,231	70,556	67,922	768,751	674,956
Exports	7,108	12,351	4,255	6,666	9,614	7,055	8,190	4,319	3,477	5,114	6,096	5,631	8,013	68,430	87,704
<b>Yoy change (%)</b>															
<b>Royal Enfield</b>	<b>20.9</b>	<b>6.7</b>	<b>17.7</b>	<b>21.7</b>	<b>25.6</b>	<b>31.7</b>	<b>10.7</b>	<b>(4.3)</b>	<b>2.7</b>	<b>13.4</b>	<b>(7.4)</b>	<b>1.9</b>	<b>6.1</b>	<b>9.8</b>	
Domestic	23.6	2.4	27.9	32.3	34.3	42.1	10.3	0.8	5.8	14.3	(4.3)	4.2	5.4	13.9	
Exports	1.2	34.3	(48.8)	(34.1)	(13.7)	(21.8)	13.4	(48.9)	(39.1)	2.2	(28.9)	(20.1)	12.7	(22.0)	
<b>4-year CAGR (%)</b>															
<b>Royal Enfield</b>	<b>3.4</b>	<b>4.4</b>	<b>3.8</b>	<b>5.6</b>	<b>7.2</b>	<b>7.7</b>	<b>10.0</b>	<b>7.2</b>	<b>4.1</b>	<b>7.4</b>	<b>5.9</b>	<b>4.7</b>	<b>4.6</b>		
Domestic	1.8	0.6	3.9	4.1	5.2	7.7	9.2	7.9	4.6	6.6	4.2	3.6	2.6		
Exports	29.0	50.7	3.3	32.5	31.1	8.3	18.5	(1.8)	(5.9)	24.6	33.4	26.1	35.9		

Source: Company, Kotak Institutional Equities

### Escorts Kubota volumes declined by 17% on a yoy basis in February 2024

Exhibit 6: Escorts Kubota monthly sales volume, March fiscal year-ends (units)

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	FYTD	
														2024	2023
<b>Sales volume (units)</b>															
<b>Escorts Kubota</b>	<b>7,811</b>	<b>10,305</b>	<b>7,565</b>	<b>9,167</b>	<b>9,850</b>	<b>5,570</b>	<b>5,593</b>	<b>10,861</b>	<b>13,205</b>	<b>8,258</b>	<b>4,536</b>	<b>6,185</b>	<b>6,481</b>	<b>87,271</b>	<b>92,985</b>
Domestic	7,245	9,601	7,252	8,704	9,270	5,161	5,198	10,114	12,642	7,855	4,131	5,817	6,041	82,185	85,665
Exports	566	704	313	463	580	409	395	747	563	403	405	368	440	5,086	7,320
<b>Yoy change (%)</b>															
<b>Escorts Kubota</b>	<b>27.8</b>	<b>2.3</b>	<b>(9.1)</b>	<b>8.9</b>	<b>(2.0)</b>	<b>3.9</b>	<b>(8.5)</b>	<b>(11.2)</b>	<b>(8.9)</b>	<b>3.7</b>	<b>(18.6)</b>	<b>(7.0)</b>	<b>(17.0)</b>	<b>(6.1)</b>	
Domestic	27.4	1.2	(5.5)	13.5	0.1	9.7	(2.1)	(11.2)	(8.7)	6.7	(17.0)	(6.7)	(16.6)	(4.1)	
Exports	32.2	19.1	(51.8)	(38.6)	(26.2)	(37.7)	(50.8)	(11.9)	(13.3)	(32.9)	(31.8)	(11.1)	(22.3)	(30.5)	
<b>4-year CAGR (%)</b>															
<b>Escorts</b>	<b>1.9</b>	<b>(3.5)</b>	<b>9.5</b>	<b>7.6</b>	<b>2.4</b>	<b>3.5</b>	<b>8.5</b>	<b>0.0</b>	<b>(0.3)</b>	<b>2.0</b>	<b>2.5</b>	<b>0.5</b>	<b>(6.8)</b>		
Domestic	1.2	(4.3)	9.8	7.6	1.8	3.5	8.4	(1.0)	(0.8)	1.6	2.1	(0.1)	(6.9)		
Exports	15.1	10.4	3.0	8.1	16.8	3.6	9.8	22.3	15.3	11.3	7.1	14.0	(5.5)		

Source: Company, Kotak Institutional Equities

**TVS Motors' total volumes increased by 33% yoy in February 2024**

**Exhibit 7: TVS Motors monthly sales volume, March fiscal year-ends (units)**

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	FYTD	
														2024	2023
<b>Sales volume (units)</b>															
Motorcycles	126,243	141,250	152,365	162,248	148,208	153,942	153,047	186,438	201,965	172,386	148,049	155,611	184,023	1,818,282	1,580,438
Scooters	104,825	128,817	107,496	121,156	121,364	121,941	142,502	155,256	165,135	135,749	103,167	132,290	132,152	1,438,208	1,196,167
Mopeds	35,958	37,492	34,925	35,891	34,829	36,424	36,561	45,261	53,510	43,968	38,848	42,036	41,635	443,888	428,790
Three-wheelers	9,124	9,593	11,438	11,314	12,010	13,670	13,738	15,598	14,104	12,128	11,834	9,576	10,614	136,024	159,521
<b>Total sales</b>	<b>276,150</b>	<b>317,152</b>	<b>306,224</b>	<b>330,609</b>	<b>316,411</b>	<b>325,977</b>	<b>345,848</b>	<b>402,553</b>	<b>434,714</b>	<b>364,231</b>	<b>301,898</b>	<b>339,513</b>	<b>368,424</b>	<b>3,836,402</b>	<b>3,364,916</b>
<b>YoY change (%)</b>															
Motorcycles	(12.0)	(12.0)	9.6	9.2	1.5	10.9	(2.6)	10.1	22.7	18.9	18.7	28.6	45.8	15.0	
Scooters	21.0	36.0	5.2	20.4	10.5	10.7	16.9	7.6	22.2	62.2	34.4	24.2	26.1	20.2	
Mopeds	(4.1)	(0.4)	(10.0)	(5.1)	(7.8)	(28.1)	0.0	(5.8)	19.3	25.8	48.3	13.2	15.8	3.5	
Total three-wheelers	(35.2)	(36.2)	(25.2)	(29.0)	(18.8)	(8.8)	(24.7)	(9.7)	(9.9)	(10.0)	(17.5)	(8.0)	16.3	(14.7)	
<b>Total sales</b>	<b>(2.0)</b>	<b>3.0</b>	<b>3.7</b>	<b>9.1</b>	<b>2.6</b>	<b>3.6</b>	<b>3.6</b>	<b>6.2</b>	<b>20.7</b>	<b>31.4</b>	<b>24.7</b>	<b>23.4</b>	<b>33.4</b>	<b>14.0</b>	
<b>4-year CAGR (%)</b>															
Motorcycles	0.7	0.0	1.6	3.2	3.1	9.2	8.8	10.8	12.6	12.9	12.1	13.3	11.6		
Scooters	4.8	6.9	2.5	5.4	5.2	3.8	6.9	7.0	8.0	12.7	8.4	16.3	21.5		
Mopeds	(17.1)	(14.9)	(14.5)	(9.4)	(10.0)	(8.6)	(10.6)	(6.1)	(3.2)	(7.2)	(4.8)	(5.9)	(7.4)		
Total three-wheelers	(9.7)	(9.7)	(3.3)	(3.0)	(3.1)	(0.2)	(1.5)	1.0	(1.9)	(8.4)	(7.2)	(9.8)	(11.6)		
<b>Total sales</b>	<b>(2.0)</b>	<b>(0.6)</b>	<b>(1.0)</b>	<b>1.9</b>	<b>1.6</b>	<b>3.9</b>	<b>4.5</b>	<b>6.3</b>	<b>7.7</b>	<b>8.1</b>	<b>6.9</b>	<b>9.6</b>	<b>9.8</b>		

Source: Company, Kotak Institutional Equities

**Ashok Leyland volumes declined by 6% yoy in February 2024**

**Exhibit 8: Ashok Leyland monthly sales volume, March fiscal year-ends (units)**

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	FYTD	
														2024	2023
<b>Sales volume (units)</b>															
LCV	5,903	7,153	5,041	4,864	5,259	5,497	5,813	6,450	6,679	5,553	5,524	5,721	6,095	62,496	60,943
MHCV	12,668	16,773	7,933	8,270	9,962	9,571	9,763	12,752	10,185	8,500	10,798	10,218	11,369	109,321	107,336
<b>Total CVs</b>	<b>18,571</b>	<b>23,926</b>	<b>12,974</b>	<b>13,134</b>	<b>15,221</b>	<b>15,068</b>	<b>15,576</b>	<b>19,202</b>	<b>16,864</b>	<b>14,053</b>	<b>16,322</b>	<b>15,939</b>	<b>17,464</b>	<b>171,817</b>	<b>168,279</b>
<b>YoY change (%)</b>															
LCV	11.5	16.6	21.2	(8.7)	1.6	0.4	1.2	3.4	15.0	9.2	(6.0)	(7.0)	3.3	2.5	
MHCV	35.3	19.9	3.2	4.1	6.5	17.5	16.5	12.7	12.5	(10.3)	(11.9)	(7.5)	(10.3)	1.8	
<b>Total CVs</b>	<b>26.7</b>	<b>18.9</b>	<b>9.5</b>	<b>(1.0)</b>	<b>4.7</b>	<b>10.6</b>	<b>10.3</b>	<b>9.4</b>	<b>13.5</b>	<b>(3.5)</b>	<b>(10.0)</b>	<b>(7.3)</b>	<b>(6.0)</b>	<b>2.1</b>	
<b>4-year CAGR (%)</b>															
LCV	4.5	6.8	4.2	3.6	4.7	6.9	10.6	12.4	9.0	7.2	7.5	8.7	10.4		
MHCV	(1.2)	1.1	(4.0)	(1.9)	4.3	9.3	16.2	28.0	18.7	9.3	11.3	7.1	11.5		
<b>Total CVs</b>	<b>0.4</b>	<b>2.7</b>	<b>(1.2)</b>	<b>(0.1)</b>	<b>4.4</b>	<b>8.4</b>	<b>14.0</b>	<b>21.6</b>	<b>14.4</b>	<b>8.4</b>	<b>10.0</b>	<b>7.7</b>	<b>11.1</b>		

Source: Company, Kotak Institutional Equities

**HMCL volumes improved by 19% yoy in February 2024**

**Exhibit 9: Hero MotoCorp monthly sales volume, March fiscal year-ends (units)**

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	FYTD	
														2024	2023
<b>Total sales</b>	<b>394,460</b>	<b>519,342</b>	<b>396,107</b>	<b>519,474</b>	<b>436,993</b>	<b>391,310</b>	<b>488,717</b>	<b>536,499</b>	<b>574,930</b>	<b>491,050</b>	<b>393,952</b>	<b>433,598</b>	<b>468,410</b>	<b>5,131,040</b>	<b>4,808,904</b>
<b>YoY change (%)</b>	<b>10.1</b>	<b>15.4</b>	<b>(5.4)</b>	<b>6.7</b>	<b>(9.9)</b>	<b>(12.2)</b>	<b>5.7</b>	<b>3.1</b>	<b>26.6</b>	<b>25.6</b>	<b>(0.1)</b>	<b>21.6</b>	<b>18.7</b>	<b>6.7</b>	
<b>4-year CAGR (%)</b>	<b>(10.6)</b>	<b>(2.8)</b>	<b>(8.9)</b>	<b>(5.5)</b>	<b>(8.2)</b>	<b>(7.6)</b>	<b>(2.6)</b>	<b>(3.2)</b>	<b>(1.0)</b>	<b>(1.3)</b>	<b>(1.9)</b>	<b>(3.6)</b>	<b>(1.5)</b>		

Source: Company, Kotak Institutional Equities

**Bajaj Auto reported 24% yoy increase in volumes in February 2024 driven by strong growth in domestic 2W segment**

**Exhibit 10: Bajaj Auto monthly sales volume, March fiscal year-ends (units)**

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	FYTD	
														2024	2023
<b>Sales volume (units)</b>															
Domestic motorcycles	120,335	152,287	181,828	194,811	166,292	141,990	160,820	202,510	278,486	218,597	158,370	193,350	170,527	2,067,581	1,651,464
Export motorcycles	115,021	94,715	106,157	112,885	127,357	126,850	124,211	125,202	129,658	130,451	124,631	114,898	124,157	1,346,457	1,542,241
<b>Total motorcycles</b>	<b>235,356</b>	<b>247,002</b>	<b>287,985</b>	<b>307,696</b>	<b>293,649</b>	<b>268,840</b>	<b>285,031</b>	<b>327,712</b>	<b>408,144</b>	<b>349,048</b>	<b>283,001</b>	<b>308,248</b>	<b>294,684</b>	<b>3,414,038</b>	<b>3,193,705</b>
Domestic three-wheeler	32,956	34,235	31,344	33,590	33,691	37,273	44,280	50,683	51,132	39,147	32,549	36,693	36,367	426,749	266,725
Exports three-wheelers	11,914	10,330	11,949	13,862	13,641	13,634	12,337	14,163	11,912	14,808	11,256	11,069	15,611	144,242	174,596
<b>Total three-wheelers</b>	<b>44,870</b>	<b>44,565</b>	<b>43,293</b>	<b>47,452</b>	<b>47,332</b>	<b>50,907</b>	<b>56,617</b>	<b>64,846</b>	<b>63,044</b>	<b>53,955</b>	<b>43,805</b>	<b>47,762</b>	<b>51,978</b>	<b>570,991</b>	<b>441,321</b>
<b>Total sales</b>	<b>280,226</b>	<b>291,567</b>	<b>331,278</b>	<b>355,148</b>	<b>340,981</b>	<b>319,747</b>	<b>341,648</b>	<b>392,558</b>	<b>471,188</b>	<b>403,003</b>	<b>326,806</b>	<b>356,010</b>	<b>346,662</b>	<b>3,985,029</b>	<b>3,635,026</b>
<b>YoY change (%)</b>															
Domestic motorcycles	24.7	42.2	95.0	102.7	32.9	(13.6)	(31.2)	(9.2)	35.1	77.0	26.2	37.7	41.7	25.2	
Exports motorcycles	(37.1)	(36.5)	(43.7)	(26.4)	(33.3)	(15.8)	2.0	(0.2)	(4.5)	(5.9)	2.6	14.1	7.9	(12.7)	
<b>Total motorcycles</b>	<b>(15.7)</b>	<b>(3.6)</b>	<b>2.2</b>	<b>23.3</b>	<b>(7.1)</b>	<b>(14.7)</b>	<b>(19.9)</b>	<b>(5.9)</b>	<b>19.4</b>	<b>33.2</b>	<b>14.6</b>	<b>27.8</b>	<b>25.2</b>	<b>6.9</b>	
Domestic three-wheeler	103.1	74.0	251.5	107.3	152.4	101.3	93.8	59.6	37.7	34.2	41.3	11.7	10.4	60.0	
Exports three-wheelers	(41.8)	(51.3)	(40.4)	36.4	(24.2)	(34.8)	(46.2)	(3.3)	(32.6)	(1.8)	0.6	(8.1)	31.0	(17.4)	
<b>Total three-wheelers</b>	<b>22.3</b>	<b>9.1</b>	<b>49.4</b>	<b>80.0</b>	<b>51.0</b>	<b>29.1</b>	<b>23.6</b>	<b>39.8</b>	<b>15.0</b>	<b>22.0</b>	<b>28.0</b>	<b>6.4</b>	<b>15.8</b>	<b>29.4</b>	
<b>Total sales</b>	<b>(11.3)</b>	<b>(1.9)</b>	<b>6.6</b>	<b>28.7</b>	<b>(1.8)</b>	<b>(9.8)</b>	<b>(14.9)</b>	<b>(0.6)</b>	<b>18.8</b>	<b>31.5</b>	<b>16.2</b>	<b>24.5</b>	<b>23.7</b>	<b>9.6</b>	
<b>4-year CAGR (%)</b>															
Domestic motorcycles	(10.4)	(8.8)	(3.1)	(1.4)	(4.4)	(4.5)	(1.8)	3.4	3.5	5.5	6.3	5.2	3.8		
Exports motorcycles	(5.0)	(2.2)	(9.8)	(8.3)	(4.3)	(4.3)	(5.0)	(5.9)	(4.6)	(6.0)	(6.2)	(9.9)	(6.6)		
<b>Total motorcycles</b>	<b>(8.0)</b>	<b>(6.5)</b>	<b>(5.8)</b>	<b>(4.2)</b>	<b>(4.4)</b>	<b>(4.4)</b>	<b>(3.2)</b>	<b>(0.7)</b>	<b>0.6</b>	<b>0.4</b>	<b>(0.2)</b>	<b>(1.9)</b>	<b>(1.3)</b>		
Domestic three-wheeler	(1.6)	(3.2)	4.6	2.8	3.0	2.0	6.0	7.4	9.0	5.6	2.9	1.1	13.6		
Exports three-wheelers	(20.6)	(23.9)	(21.1)	(12.9)	(12.7)	(13.9)	(19.7)	(15.0)	(19.3)	(15.0)	(15.6)	(20.0)	(9.1)		
<b>Total three-wheelers</b>	<b>(8.9)</b>	<b>(10.6)</b>	<b>(6.7)</b>	<b>(3.3)</b>	<b>(2.9)</b>	<b>(3.8)</b>	<b>(3.3)</b>	<b>(0.2)</b>	<b>(0.5)</b>	<b>(2.5)</b>	<b>(3.8)</b>	<b>(6.4)</b>	<b>3.8</b>		
<b>Total sales</b>	<b>(8.1)</b>	<b>(7.2)</b>	<b>(5.9)</b>	<b>(4.1)</b>	<b>(4.2)</b>	<b>(4.3)</b>	<b>(3.3)</b>	<b>(0.6)</b>	<b>0.4</b>	<b>(0.0)</b>	<b>(0.7)</b>	<b>(2.5)</b>	<b>(0.6)</b>		

Source: Company, Kotak Institutional Equities

**Recent launches were mainly focused towards SUV segment**

**Exhibit 11: PV launch pipeline, March fiscal year-ends**

Manufacturer	Model	Segment	Expected timeline
Maruti Suzuki	Jimny	MPV	Launched in January 2023
Maruti Suzuki	Fronx	Micro SUV	Launched in January 2023
Mahindra	XUV400 Electric	Electric vehicle	Launched in January 2023
MG	Hector facelift	Mid-size SUV	Launched in January 2023
Hyundai	i10 Nios facelift	Hatchback	Launched in January 2023
Citroen	C3 EV	Electric vehicle	Launched in March 2023
Toyota	Innova Crysta	MUV	Launched in March 2023
Hyundai	New Verna	Sedan	Launched in March 2023
Maruti Suzuki	Brezza CNG	Compact SUV	Launched in March 2023
MG	Comet EV	Hatchback	Launched in April 2023
Tata Motors	Altroz CNG	Hatchback	Launched in April 2023
Honda	Elevate	Mid-size SUV	Launched in July 2023
Kia	New Seltos facelift	Mid-size SUV	Launched in July 2023
Maruti Suzuki	Invicto	MPV	Launched in July 2023
Hyundai	Exter	Micro SUV	Launched in July 2023
Maruti Suzuki	Fronx CNG	Micro SUV	Launched in July 2023
Tata Motors	Punch CNG	Compact SUV	Launched in August 2023
Tata Motors	Nexon facelift EV	SUV	Launched in September 2023
Hyundai	i20 Nline	Hatchback	Launched in September 2023
Tata Motors	Safari facelift	SUV	Launched in October 2023
Tata Motors	Harrier facelift	SUV	Launched in October 2023
Tata Motors	Punch EV	Compact SUV	Launched in January 2024
Hyundai	New Creta facelift	Mid-size SUV	Launched in January 2024
Kia	New Sonet facelift	Compact SUV	Launched in January 2024
Nissan	X-Trail	SUV	To be launched in 1QFY25
Mahindra	XUV 300	Compact SUV	To be launched in 1QFY25
Honda	New WR-V	Compact SUV	To be launched in FY2025
Mahindra	5-door Thar	MPV	To be launched in FY2025
Tata Motors	Curvv	SUV	To be launched in FY2025
Tata Motors	Altroz EV	Hatchback	To be launched in FY2025
Maruti Suzuki	eVX	SUV	To be launched in FY2025
Tata Motors	Sierra	SUV	To be launched in FY2025
Renault	Duster	Compact SUV	To be launched in FY2025
Skoda	Unnamed	Compact SUV	To be launched in FY2025
Volkswagen	Tayron	Large SUV	To be launched in FY2025
Mahindra	XUV.e8	Large SUV	To be launched in FY2025

Source: Carwale, AutoCar, Economic Times, Kotak Institutional Equities

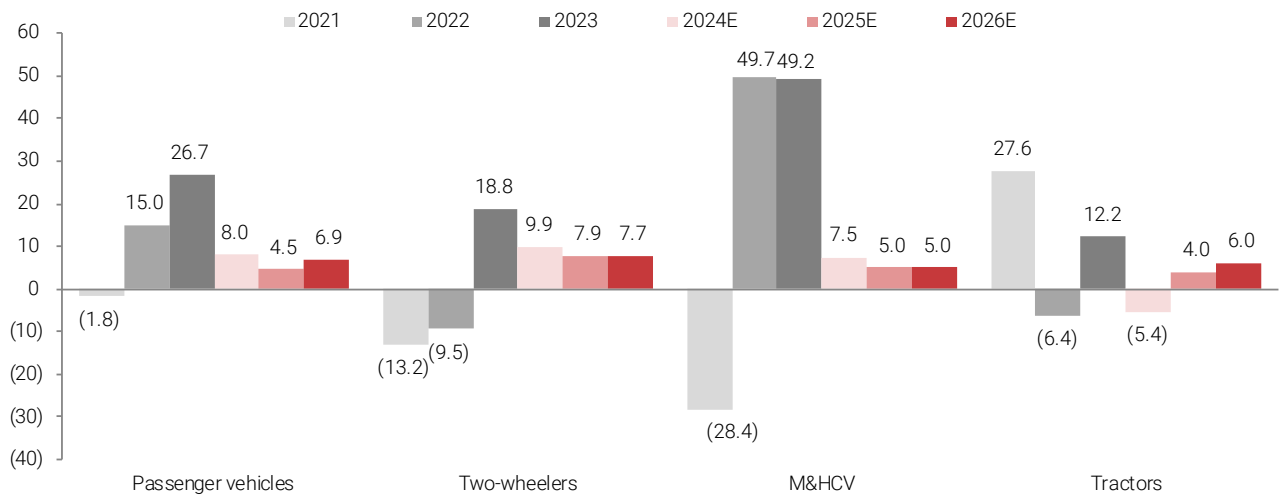
**HMCL launched Xtreme 125 and Mavrick in January 2024**
**Exhibit 12: 2W launch pipeline, March fiscal year-ends**

Manufacturer	Model	Segment	Expected timeline
<b>Bikes</b>			
Royal Enfield	Super Meteor 650	Premium	Launched in January 2023
Honda	Shine 100	Economy	Launched in March 2023
Matter	Aera	Electric	Launched in May 2023
Hero Motorcorp	X440	Premium	Launched in July 2023
Bajaj Auto/Triumph	Speed 400	Premium	Launched in July 2023
Bajaj Auto/Triumph	Scrambler 400	Premium	Launched in July 2023
Royal Enfield	Bullet 350 refresher	Premium	Launched in September 2023
TVS	Apache RTR 310 refresh	Premium	Launched in September 2023
Jawa	42 Bobber Black Mirror	Premium	Launched in September 2023
KTM	390 Duke refresh	Premium	Launched in September 2023
Bajaj	Pulsar N150 refresh	Premium	Launched in September 2023
Honda	SP125 sports	Executive	Launched in September 2023
Royal Enfield	Himalayan 452	Premium	Launched in November 2023
Yamaha	MT 03	Premium	Launched in December 2023
Royal Enfield	Shotgun 650	Premium	Launched in January 2024
Hero Motorcorp	Mavrick	Premium	Launched in January 2024
Hero Motorcorp	Xtreme 125	Premium	Launched in January 2024
Yamaha	XSR 155	Premium	To be launched in FY2025
Torq	Kratos X	Electric	To be launched in FY2025
Revolt	RV1	Electric	To be launched in FY2025
Royal Enfield	ElectriK01	Electric	To be launched in FY2025
Ola	Roadster	Electric	To be launched in FY2025
Ola	Adventure	Electric	To be launched in FY2025
Ola	Crusier	Electric	To be launched in FY2025
<b>Scooters</b>			
Hero Motorcorp	Xoom	110cc	Launched in January 2023
Suzuki	Burgman street Electric	Electric	Launched in January 2023
Yulu	Miracle GR	Electric	Launched in February 2023
Yulu	Dex GR	Electric	Launched in February 2023
Simple Energy	One	Electric	Launched in May 2023
Ather	450 S	Electric	Launched in August 2023
Ola	S1X+	Electric	Launched in August 2023
Ola	S1 Pro Gen 2	Electric	Launched in August 2023
TVS	Creon	Electric	Launched in August 2023
Simple Energy	Dot one	Electric	Launched in December 2023
Kinetic	Zulu	Electric	Launched in December 2023
Ather	450X Apex	Electric	Launched in January 2024
Bajaj	Chetak Urbane	Electric	Launched in December 2023
Ather	450X Apex	Electric	Launched in January 2024
Bajaj	Chetak premium	Electric	Launched in January 2024
Ola	S1X	Electric	Launched in January 2024
Okinawa	Cruiser	Electric	To be launched in FY2025
Honda	Activa	Electric	To be launched in FY2025
Gogoro	2 series	Electric	To be launched in FY2025
Suzuki	Burgman	Electric	To be launched in FY2025
Hero Motorcorp	LEAP Hybrid SES	Electric	To be launched in FY2024

Source: Carwale, AutoCar, Economic Times, Kotak Institutional Equities

**We expect demand moderation for automobile sector in FY2025E; CV segment might report low-single digit growth on a yoy basis**

**Exhibit 13: Automobile segment-wise volume growth estimates, March fiscal year-ends, 2021-25E (%)**



Source: Company, Kotak Institutional Equities estimates

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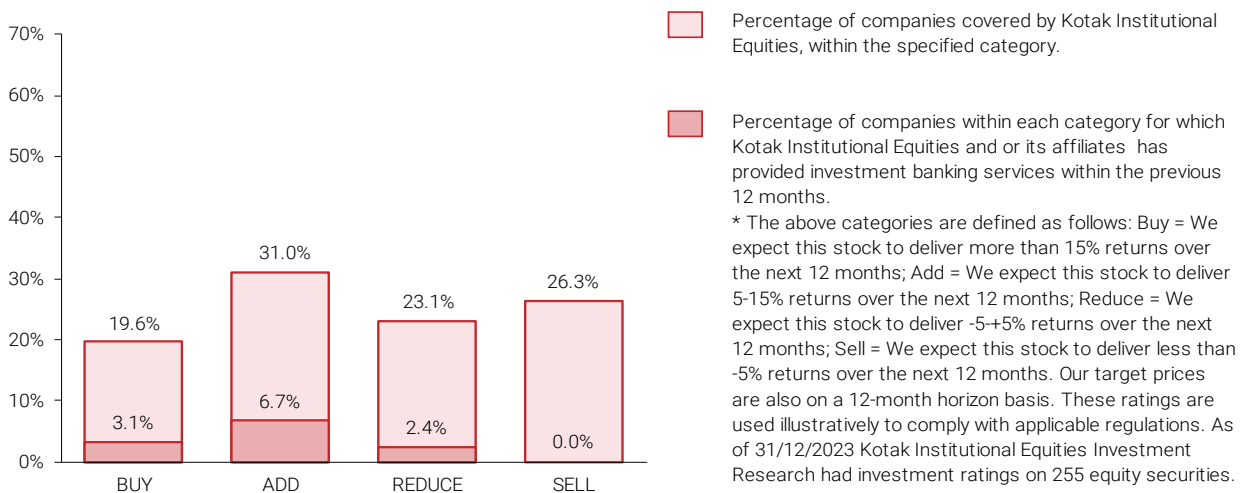
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Source: Kotak Institutional Equities

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In absence of response/complaint not addressed to your satisfaction, you may lodge a complaint with SEBI at SEBI, NSE, BSE, Investor Service Center | NCDEX, MCX. Please quote your Service Ticket/Complaint Ref No. while raising your complaint at SEBI SCORES/Exchange portal. Kindly refer <https://www.kotaksecurities.com/contact-us/>.