

Automobiles & Components

India

Sector View: **Cautious**

NIFTY-50: **24,142**

July 01, 2024

Weak retail trends across segments

The auto sector reported a weak set of numbers with PV, CV and tractor segment retail volumes declining on a yoy basis, whereas domestic 2W segment retail volumes growth moderated to low single digit on a yoy basis in June 2024. In terms of wholesale, domestic PV segment volumes grew by low single digit as inventory levels remain at elevated levels whereas CV and tractor wholesales trends were flat on a yoy basis. 2W domestic wholesale volumes grew by low double digit whereas the export segment remains weak.

Domestic PV wholesale volumes grew by low single digit yoy in June 2024

As per our estimates, domestic PV industry wholesale volumes increased by low single digit yoy due to muted retail trends on account of heat waves and absence of any festival during the month. Retail sales declined by high single digit yoy in June 2024. MSIL's total volumes increased by 12% yoy in June 2024 led by strong growth in exports volumes (+57% yoy) and 6% yoy increase in domestic volumes. As per our estimates, MSIL's wholesales market share stood at ~41% (+40 bps yoy). Tata Motors reported 8% yoy decline in PV volumes, whereas M&M's volumes increased by 23% yoy in June 2024. Hyundai Motors reported flat growth whereas Toyota India posted a growth of 44% on a yoy basis in June 2024.

Domestic 2W wholesales witnessed low double-digit increase yoy in June 2024

Domestic 2W wholesale segment volumes came in above our expectations with likely improvement in low double digit on a yoy basis in June 2024, whereas domestic ICE retail sales growth moderated to low single digit on a yoy basis. EV 2W retail sales posted an increase of 72% yoy in June 2024 owing to lower base on moderation of FAME II incentives in the base year. Exports demand trends remained weak on a sequential basis with high single-digit decline in volumes. HMCL's volumes improved by 15% yoy whereas TVS Motor reported a 6% yoy increase in 2W volumes driven by a strong domestic segment. Royal Enfield volumes declined by 5% yoy driven by 27% yoy decline in exports. Bajaj Auto volumes grew by 5% on a yoy basis in June 2024.

CV segment volumes came in below our expectations

Domestic CV segment volumes declined by mid-single digit yoy due to weakness in the MHCVC truck segment. Tata Motors domestic CV volumes fell by 7% yoy, led by (1) 3% decline in M&HCV trucks, (2) 21% yoy decline in SCV cargo, partly offset by 18% growth in the bus segment. Ashok Leyland reported 2% yoy decline in volumes, whereas VECV's volumes increased by 11% yoy in June 2024.

Domestic tractor volumes grew by low single digit on a yoy basis in June 2024

As per our estimates, domestic tractor industry volumes grew by low single digit yoy led by increase in MSPs for kharif crops and inventory buildup. However, rainfall in June 2024 was 11% below long-term average, and monsoon progression needs to be monitored. M&M tractor volumes grew by 6% yoy whereas Escort Kubota's tractor volumes declined by 2% yoy in June 2024.

Quick Numbers

MSIL total volumes increased by 12% yoy led by 57% yoy increase in exports segment volumes and 6% yoy growth in domestic volumes

M&M PV volumes grew by 23% yoy in June 2024

Tata Motors PV volumes declined by 8% yoy in June 2024

TVS Motor total volumes increased by 6% yoy in June 2024

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VECV volumes improved by 11% yoy in June 2024

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

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Domestic volumes	6,227	5,311	5,907	6,715	7,078	4,686	7,468	6,503	6,930	10,525	4,898	6,304	6,893	18,095	18,245
Export volumes	250	425	332	250	201	303	321	355	316	461	356	415	421	1,192	757
Volvo Volumes	188	141	237	233	208	205	236	208	178	256	123	182	110	415	569
Total sales	6,665	5,877	6,476	7,198	7,487	5,194	8,025	7,066	7,424	11,242	5,377	6,901	7,424	19,702	19,571
Yoy change (%)															
Domestic volumes	11.5	(0.9)	30.4	12.1	27.4	4.5	11.9	(4.2)	1.9	(6.6)	(20.3)	7.3	10.7	(0.8)	
Export volumes	(58.4)	(15.2)	(8.5)	(50.6)	(43.5)	27.8	(3.3)	76.6	5.0	11.4	38.5	66.0	68.4	57.5	
Volvo Volumes	54.1	16.5	115.5	75.2	63.8	12.0	8.3	10.1	(5.8)	11.8	(26.8)	(14.6)	(41.5)	(27.1)	
Total sales	5.7	(1.8)	29.4	8.6	24.0	5.9	11.1	(1.6)	1.9	(5.6)	(18.1)	8.9	11.4	0.7	

Source: Company, Kotak Institutional Equities

Royal Enfield volume declined by 5% yoy in June 2024

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

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Sales volume (units)															
Royal Enfield	77,109	73,177	77,583	78,580	84,435	80,251	63,327	76,187	75,935	75,551	81,870	71,010	73,141	226,021	227,706
Domestic	67,495	66,122	69,393	74,261	80,958	75,137	57,231	70,556	67,922	66,044	75,038	63,531	66,117	204,686	207,171
Exports	9,614	7,055	8,190	4,319	3,477	5,114	6,096	5,631	8,013	9,507	6,832	7,479	7,024	21,335	20,535
Yoy change (%)															
Royal Enfield	25.6	31.7	10.7	(4.3)	2.7	13.4	(7.4)	1.9	6.1	4.6	11.9	(8.3)	(5.1)	(0.7)	
Domestic	34.3	42.1	10.3	0.8	5.8	14.3	(4.3)	4.2	5.4	10.3	8.9	(10.3)	(2.0)	(1.2)	
Exports	(13.7)	(21.8)	13.4	(48.9)	(39.1)	2.2	(28.9)	(20.1)	12.7	(23.0)	60.6	12.2	(26.9)	3.9	

Source: Company, Kotak Institutional Equities

Escorts Kubota volumes declined by 3% on a yoy basis in June 2024

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

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Sales volume (units)															
Escorts Kubota	9,850	5,570	5,593	10,861	13,205	8,258	4,536	6,185	6,481	8,587	7,515	8,612	9,593	25,720	26,582
Domestic	9,270	5,161	5,198	10,114	12,642	7,855	4,131	5,817	6,041	8,054	7,168	8,232	9,359	24,759	25,226
Exports	580	409	395	747	563	403	405	368	440	533	347	380	234	961	1,356
Yoy change (%)															
Escorts Kubota	(2.0)	3.9	(8.5)	(11.2)	(8.9)	3.7	(18.6)	(7.0)	(17.0)	(16.7)	(0.7)	(6.1)	(2.6)	(3.2)	
Domestic	0.1	9.7	(2.1)	(11.2)	(8.7)	6.7	(17.0)	(6.7)	(16.6)	(16.1)	(1.2)	(5.4)	1.0	(1.9)	
Exports	(26.2)	(37.7)	(50.8)	(11.9)	(13.3)	(32.9)	(31.8)	(11.1)	(22.3)	(24.3)	10.9	(17.9)	(59.7)	(29.1)	

Source: Company, Kotak Institutional Equities

TVS Motor total volumes increased by 5% yoy in June 2024

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

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Sales volume (units)															
Motorcycles	148,208	153,942	153,047	186,438	201,965	172,386	148,049	155,611	184,023	171,611	188,110	173,627	152,701	514,438	462,821
Scooters	121,364	121,941	142,502	155,256	165,135	135,749	103,167	132,290	132,152	131,472	144,126	145,305	128,986	418,417	350,016
Mopeds	34,829	36,424	36,561	45,261	53,510	43,968	38,848	42,036	41,635	41,363	42,356	40,658	76,749	159,763	105,645
Three-wheelers	12,010	13,670	13,738	15,598	14,104	12,128	11,834	9,576	10,614	10,146	9,023	10,324	11,478	30,825	34,762
Total sales	316,411	325,977	345,848	402,553	434,714	364,231	301,898	339,513	368,424	354,592	383,615	369,914	333,646	1,123,443	953,244
Yoy change (%)															
Motorcycles	1.5	10.9	(2.6)	10.1	22.7	18.9	18.7	28.6	45.8	21.5	23.5	7.0	3.0	11.2	
Scooters	10.5	10.7	16.9	7.6	22.2	62.2	34.4	24.2	26.1	2.1	34.1	19.9	6.3	19.5	
Mopeds	(7.8)	(28.1)	0.0	(5.8)	19.3	25.8	48.3	13.2	15.8	10.3	21.3	13.3	120.4	51.2	
Total three-wheelers	(18.8)	(8.8)	(24.7)	(9.7)	(9.9)	(10.0)	(17.5)	(8.0)	16.3	5.8	(21.1)	(8.8)	(4.4)	(11.3)	
Total sales	2.6	3.6	3.6	6.2	20.7	31.4	24.7	23.4	33.4	11.8	25.3	11.9	5.4	17.9	

Source: Company, Kotak Institutional Equities

Ashok Leyland volumes declined by 2% yoy in June 2024

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

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Sales volume (units)															
LCV	5,259	5,497	5,813	6,450	6,679	5,553	5,524	5,721	6,095	7,304	5,148	5,439	5,421	16,008	15,164
MHCV	9,962	9,571	9,763	12,752	10,185	8,500	10,798	10,218	11,369	15,562	9,123	9,243	9,519	27,885	26,165
Total CVs	15,221	15,068	15,576	19,202	16,864	14,053	16,322	15,939	17,464	22,866	14,271	14,682	14,940	43,893	41,329
YoY change (%)															
LCV	1.6	0.4	1.2	3.4	15.0	9.2	(6.0)	(7.0)	3.3	2.1	2.1	11.8	3.1	5.6	
MHCV	6.5	17.5	16.5	12.7	12.5	(10.3)	(11.9)	(7.5)	(10.3)	(7.2)	15.0	11.8	(4.4)	6.6	
Total CVs	4.7	10.6	10.3	9.4	13.5	(3.5)	(10.0)	(7.3)	(6.0)	(4.4)	10.0	11.8	(1.8)	6.2	

Source: Company, Kotak Institutional Equities

HMCL reported 15% increase in volumes yoy in June 2024

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

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Total sales	436,993	391,310	488,717	536,499	574,930	491,050	393,952	433,598	468,410	490,415	533,585	498,123	503,448	1,535,156	1,352,574
YoY change (%)	(9.9)	(12.2)	5.7	3.1	26.6	25.6	(0.1)	21.6	18.7	(5.6)	34.7	(4.1)	15.2	13.5	

Source: Company, Kotak Institutional Equities

Bajaj Auto reported 5% volume growth yoy in June 2024

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

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Sales volume (units)															
Domestic motorcycles	166,292	141,990	160,820	202,510	278,486	218,597	158,370	193,350	170,527	183,004	216,950	188,340	177,207	582,497	542,931
Export motorcycles	127,357	126,850	124,211	125,202	129,658	130,451	124,631	114,898	124,157	130,881	124,839	117,142	126,439	368,420	346,399
Total motorcycles	293,649	268,840	285,031	327,712	408,144	349,048	283,001	308,248	294,684	313,885	341,789	305,482	303,646	950,917	889,330
Domestic three-wheelers	33,691	37,273	44,280	50,683	51,132	39,147	32,549	36,693	36,367	37,389	32,133	36,747	39,244	108,124	98,625
Exports three-wheelers	13,641	13,634	12,337	14,163	11,912	14,808	11,256	11,069	15,611	14,630	14,334	13,094	15,587	43,015	39,452
Total three-wheelers	47,332	50,907	56,617	64,846	63,044	53,955	43,805	47,762	51,978	52,019	46,467	49,841	54,831	151,139	138,077
Total sales	340,981	319,747	341,648	392,558	471,188	403,003	326,806	356,010	346,662	365,904	388,256	355,323	358,477	1,102,056	1,027,407
YoY change (%)															
Domestic motorcycles	32.9	(13.6)	(31.2)	(9.2)	35.1	77.0	26.2	37.7	41.7	20.2	19.3	(3.3)	6.6	7.3	
Exports motorcycles	(33.3)	(15.8)	2.0	(0.2)	(4.5)	(5.9)	2.6	14.1	7.9	38.2	17.6	3.8	(0.7)	6.4	
Total motorcycles	(7.1)	(14.7)	(19.9)	(5.9)	19.4	33.2	14.6	27.8	25.2	27.1	18.7	(0.7)	3.4	6.9	
Domestic three-wheelers	152.4	101.3	93.8	59.6	37.7	34.2	41.3	11.7	10.4	9.2	2.5	9.4	16.5	9.6	
Exports three-wheelers	(24.2)	(34.8)	(46.2)	(3.3)	(32.6)	(1.8)	0.6	(8.1)	31.0	41.6	20.0	(5.5)	14.3	9.0	
Total three-wheelers	51.0	29.1	23.6	39.8	15.0	22.0	28.0	6.4	15.8	16.7	7.3	5.0	15.8	9.5	
Total sales	(1.8)	(9.8)	(14.9)	(0.6)	18.8	31.5	16.2	24.5	23.7	25.5	17.2	0.0	5.1	7.3	

Source: Company, Kotak Institutional Equities

2W EV retail volumes increase by 72% yoy in June 2024 owing to a lower base last year due to moderation in EV incentives

Exhibit 13: OEM-wise 2W EV retail sales volume, March fiscal year-ends (units)

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Player-wise retail volumes (units)															
Ather Energy	4,603	6,686	7,154	7,194	8,481	9,339	6,552	9,370	9,078	17,304	4,124	6,079	6,097	16,300	27,835
Okinawa	2,620	2,265	2,001	1,791	1,475	1,606	965	683	660	681	593	490	372	1,455	8,746
Hero Electric	1,137	779	783	845	666	824	552	419	327	321	279	278	283	840	6,580
Ampere	3,043	3,573	3,699	4,199	4,542	4,695	3,350	2,536	2,609	3,149	2,675	2,060	2,812	7,547	22,708
Revolt	714	484	515	890	689	671	682	530	479	594	745	687	660	2,092	1,812
TVS Motors	7,867	10,398	15,484	15,616	16,508	19,161	12,326	15,347	14,622	26,605	7,753	11,826	13,899	33,478	37,062
Bajaj Auto	3,011	4,131	6,588	7,105	9,071	11,914	10,419	10,886	11,749	18,054	7,556	9,225	8,985	25,766	17,202
Ola Electric	17,688	19,405	18,745	18,709	23,875	30,031	30,421	32,359	33,955	53,409	34,057	37,233	36,716	108,006	68,499
Hero MotoCorp	465	990	915	534	1,937	3,046	1,599	1,496	1,756	4,077	956	2,457	3,068	6,481	1,361
Others	4,704	5,710	6,743	7,032	7,807	10,680	8,942	10,893	9,881	18,747	6,666	6,677	6,613	19,956	25,895
Total EV two-wheelers	46,105	54,616	62,770	64,082	75,155	92,068	75,887	84,587	85,180	143,025	65,404	77,012	79,505	221,921	218,562
YoY change (%)	3.8	17.2	20.2	20.3	(2.7)	19.9	17.4	30.7	28.9	65.6	(2.2)	(27.1)	72.4	1.5	
Market share (%)															
Ather Energy	10.0	12.2	11.4	11.2	11.3	10.1	8.6	11.1	10.7	12.1	6.3	7.9	7.7	7.3	12.7
Okinawa	5.7	4.1	3.2	2.8	2.0	1.7	1.3	0.8	0.8	0.5	0.9	0.6	0.5	0.7	4.0
Hero Electric	2.5	1.4	1.2	1.3	0.9	0.9	0.7	0.5	0.4	0.2	0.4	0.4	0.4	0.4	3.0
Ampere	6.6	6.5	5.9	6.6	6.0	5.1	4.4	3.0	3.1	2.2	4.1	2.7	3.5	3.4	10.4
Revolt	1.5	0.9	0.8	1.4	0.9	0.7	0.9	0.6	0.6	0.4	1.1	0.9	0.8	0.9	0.8
TVS Motors	17.1	19.0	24.7	24.4	22.0	20.8	16.2	18.1	17.2	18.6	11.9	15.4	17.5	15.1	17.0
Bajaj Auto	6.5	7.6	10.5	11.1	12.1	12.9	13.7	12.9	13.8	12.6	11.6	12.0	11.3	11.6	7.9
Ola Electric	38.4	35.5	29.9	29.2	31.8	32.6	40.1	38.3	39.9	37.3	52.1	48.3	46.2	48.7	31.3
Hero MotoCorp	1.0	1.8	1.5	0.8	2.6	3.3	2.1	1.8	2.1	2.9	1.5	3.2	3.9	2.9	0.6
Others	10.2	10.5	10.7	11.0	10.4	11.6	11.8	12.9	11.6	13.1	10.2	8.7	8.3	9.0	11.8
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Note:

(1) Retail sales do not include sales from Telangana and Lakshadweep

Source: Parivahan Sewa, Kotak Institutional Equities

Goods vehicle retail volumes declined by 1% yoy in June 2024

Exhibit 14: Goods vehicle retail sales volume, March fiscal year-ends (units)

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD	
														2025	2024
Player-wise retail volumes (units)															
Tata Motors	23,382	24,092	25,644	27,261	30,605	28,383	24,837	30,114	29,723	30,227	28,995	25,809	22,049	76,853	78,708
Ashok Leyland	11,208	11,067	11,118	12,106	13,630	12,185	10,725	13,124	13,323	13,239	14,440	11,548	9,620	35,608	40,324
VECV	4,242	3,873	4,312	4,802	5,612	4,859	4,161	5,186	5,218	5,413	5,549	4,897	3,873	14,319	16,092
Daimler	1,404	1,362	1,361	1,527	1,768	1,645	1,419	2,049	1,764	1,789	1,842	1,637	1,333	4,812	4,833
M&M	16,436	17,205	18,834	20,362	22,534	23,237	19,400	21,764	19,289	19,583	18,639	17,862	15,437	51,938	49,868
Others	7,240	6,478	6,413	6,457	7,137	6,920	6,709	13,167	12,519	11,931	10,546	11,309	10,804	32,659	21,112
Total LGV	63,912	64,077	67,682	72,515	81,286	77,229	67,251	85,404	81,836	82,182	80,011	73,062	63,116	216,189	210,937
YoY change (%)	(8.8)	(7.7)	(2.8)	(3.2)	4.0	(10.8)	(8.0)	3.4	5.6	(5.2)	2.2	6.3	(1.2)	2.5	
Market share (%)															
Tata Motors	36.6	37.6	37.9	37.6	37.7	36.8	36.9	35.3	36.3	36.8	36.2	35.3	34.9	35.5	37.3
Ashok Leyland	17.5	17.3	16.4	16.7	16.8	15.8	15.9	15.4	16.3	16.1	18.0	15.8	15.2	16.5	19.1
VECV	6.6	6.0	6.4	6.6	6.9	6.3	6.2	6.1	6.4	6.6	6.9	6.7	6.1	6.6	7.6
Daimler	2.2	2.1	2.0	2.1	2.2	2.1	2.1	2.4	2.2	2.2	2.3	2.2	2.1	2.2	2.3
M&M	25.7	26.9	27.8	28.1	27.7	30.1	28.8	25.5	23.6	23.8	23.3	24.4	24.5	24.0	23.6
Others	11.3	10.1	9.5	8.9	8.8	9.0	10.0	15.4	15.3	14.5	13.2	15.5	17.1	15.1	10.0
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

Note:

(1) Retail sales do not include sales from Telangana and Lakshadweep

Source: Parivahan Sewa, Kotak Institutional Equities

3W retail volumes increased by 5% yoy in June 2024

Exhibit 15: 3W retail sales volume, March fiscal year-ends (units)

	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	FYTD		
														2025	2024	
Player-wise retail volumes (units)																
Bajaj Auto	33,357	34,107	36,334	38,014	41,931	39,147	30,826	37,152	35,430	36,670	29,929	35,526	34,238	99,693	89,302	
Piaggio	6,233	7,952	8,346	8,280	9,362	8,892	7,708	8,270	8,266	9,446	5,889	7,016	6,850	19,755	18,175	
M&M	5,257	6,187	6,131	5,862	5,901	6,429	5,908	4,814	5,459	8,015	3,637	5,148	5,354	14,139	13,793	
Atul Auto	1,640	1,408	1,719	2,162	2,186	2,108	1,938	2,074	1,967	2,180	1,762	2,450	2,022	6,234	4,770	
TVS Motors	1,423	1,377	1,538	1,424	1,584	1,567	1,550	1,840	1,938	1,808	1,588	1,718	1,746	5,052	3,842	
Others	42,018	46,868	49,716	50,078	49,230	45,285	49,416	46,008	42,990	47,206	37,296	46,409	44,113	127,818	115,654	
Total 3Ws	89,928	97,899	103,784	105,820	110,194	103,428	97,346	100,158	96,050	105,325	80,101	98,267	94,323	272,691	245,536	
Yoy change (%)	88	86	77	59	57	31	45	41	26	17.2	9.2	19.4	4.9	11.1		
Market share (%)																
Bajaj Auto	37.1	34.8	35.0	35.9	38.1	37.8	31.7	37.1	36.9	34.8	37.4	36.2	36.3	36.6	36.4	
Piaggio	6.9	8.1	8.0	7.8	8.5	8.6	7.9	8.3	8.6	9.0	7.4	7.1	7.3	7.2	7.4	
M&M	5.8	6.3	5.9	5.5	5.4	6.2	6.1	4.8	5.7	7.6	4.5	5.2	5.7	5.2	5.6	
Atul Auto	1.8	1.4	1.7	2.0	2.0	2.0	2.0	2.1	2.0	2.1	2.2	2.5	2.1	2.3	1.9	
TVS Motors	1.6	1.4	1.5	1.3	1.4	1.5	1.6	1.8	2.0	1.7	2.0	1.7	1.9	1.9	1.6	
Others	46.7	47.9	47.9	47.3	44.7	43.8	50.8	45.9	44.8	44.8	46.6	47.2	46.8	46.9	47.1	
Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

Note:
(1) Retail sales do not include sales from Telangana and Lakshadweep

Source: Parivahan Sewa, Kotak Institutional Equities

A slew of SUV launches planned for 2QFY25E

Exhibit 16: PV launch pipeline, March fiscal year-ends

Manufacturer	Model	Segment	Expected timeline
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
Mahindra	XUV 3XO	Compact SUV	Launched in April, 2024
Maruti Suzuki	New Swift	Hatchback	Launched in May, 2024
Nissan	X-Trail	SUV	To be launched in 2QFY25
Tata Motors	Curvv EV	SUV	To be launched in 2QFY25
Mahindra	Thar 5-door	SUV	To be launched in 2QFY25
Hyunadi	Alcazar refresher	Large SUV	To be launched in 2QFY25
Tata Motors	Curvv ICE	SUV	To be launched in 3QFY25
Tata Motors	Altroz EV	Hatchback	To be launched in 3QFY25
Mahindra	XUV.e8	Large SUV	To be launched in 3QFY25
Maruti Suzuki	eVX	SUV	To be launched in 3QFY25
Tata Motors	Harrier EV	Large SUV	To be launched in 4QFY25
Hyundai	Creta EV	Mid-size SUV	To be launched in 4QFY25
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
Honda	New WR-V	Compact SUV	To be launched in FY2025
Tata Motors	Sierra	SUV	To be launched in FY2026
Tata Motors	Avinya EV	SUV	To be launched in FY2026
Mahindra	BE.05	Large SUV	To be launched in FY2026
Mahindra	XUV.e9	Large SUV	To be launched in FY2026
Mahindra	Thar EV	SUV	To be launched in FY2026

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

TVS launched lower priced variant of iQube ST in May 2024

Exhibit 17: 2W launch pipeline, March fiscal year-ends

Manufacturer	Model	Segment	Expected timeline
Bikes			
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
Jawa	Perak	Premium	Launched in April 2024
Bajaj Auto	Pulsar (400 cc)	Premium	Launched in May 2024
Bajaj Auto	Unnamed CNG model	Premium	To be launched in 1QFY25
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	Roadrunner	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
Scooters			
Ather	450X Apex	Electric	Launched in January 2024
Bajaj	Chetak premium	Electric	Launched in January 2024
Ola	S1X	Electric	Launched in January 2024
Ather	Ritza	Electric	Launched in April 2024
Ampere	Nexus	Electric	Launched in April 2024
TVS	iQube ST	Electric	Launched in May 2024
Bajaj	Unnamed mass market	Electric	To be launched in 1QFY25
Hero Motorcorp	Xoom	160cc	To be launched in 1QFY25
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

Demand trends post-election results need to be monitored, especially in PV segment, which has witnessed a slow start; expectations of a normal monsoon augur well for the industry

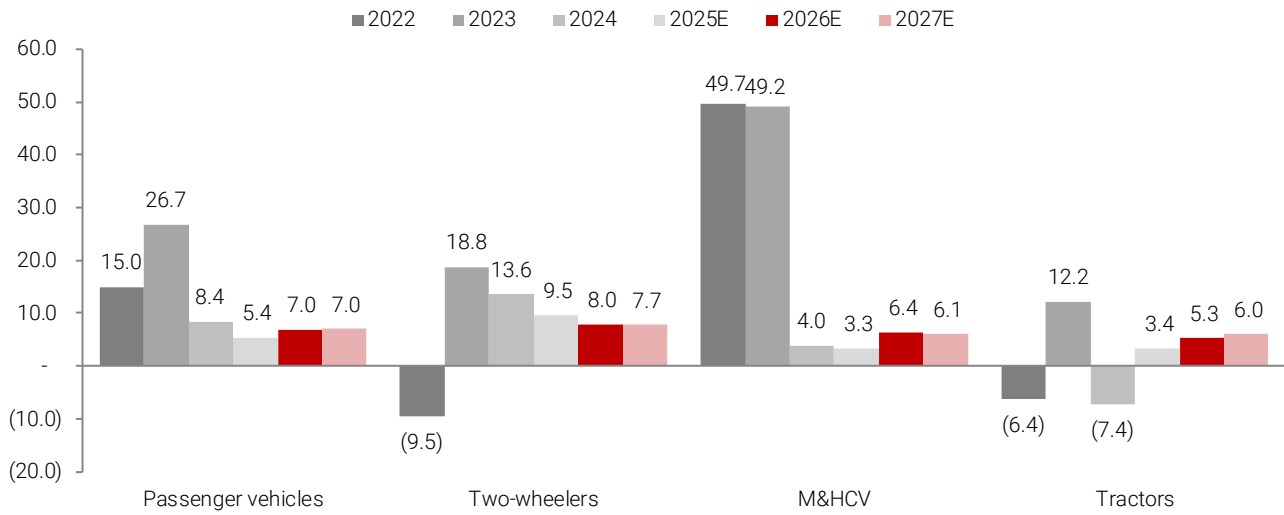
Exhibit 18: OEM-wise residual monthly volume run rate estimated for remainder of FY2025E

OEM	Jun-24	Yoy chg (%)	Mom chg (%)	FYTD25	Yoy chg (%)	Residual monthly volume run rate	Residual volume run rate (Yoy growth)
Ashok Leyland	14,940	(1.8)	1.8	43,893	6.2	17,946	5.3
Bajaj Auto	358,477	5.1	0.9	1,102,056	7.3	407,706	10.9
Eicher Motor (RE)	73,141	(5.1)	3.0	226,021	(0.7)	82,552	8.5
Eicher Motor (VECV)	7,424	11.4	7.6	19,702	0.7	7,874	7.4
Escorts Kubota	9,593	(2.6)	11.4	25,720	(3.2)	8,200	6.5
Hero Motocorp	503,448	15.2	1.1	1,535,156	13.5	506,235	6.7
Maruti Suzuki	179,228	12.4	2.7	521,868	4.8	188,119	3.4
Mahindra and Mahindra	116,716	9.2	7.3	333,287	10.7	113,713	13.4
Tata Motors	75,604	(7.4)	(1.5)	229,891	1.6	88,169	6.8
TVS Motors	333,646	5.4	(9.8)	1,087,175	14.1	398,836	10.4

Source: Company, Kotak Institutional Equities estimates

We expect demand moderation for automobile sector in FY2025-26E

Exhibit 19: Automobile segment-wise volume growth estimates, March fiscal year-ends, 2021-26E (%)



Source: Company, Kotak Institutional Equities estimates

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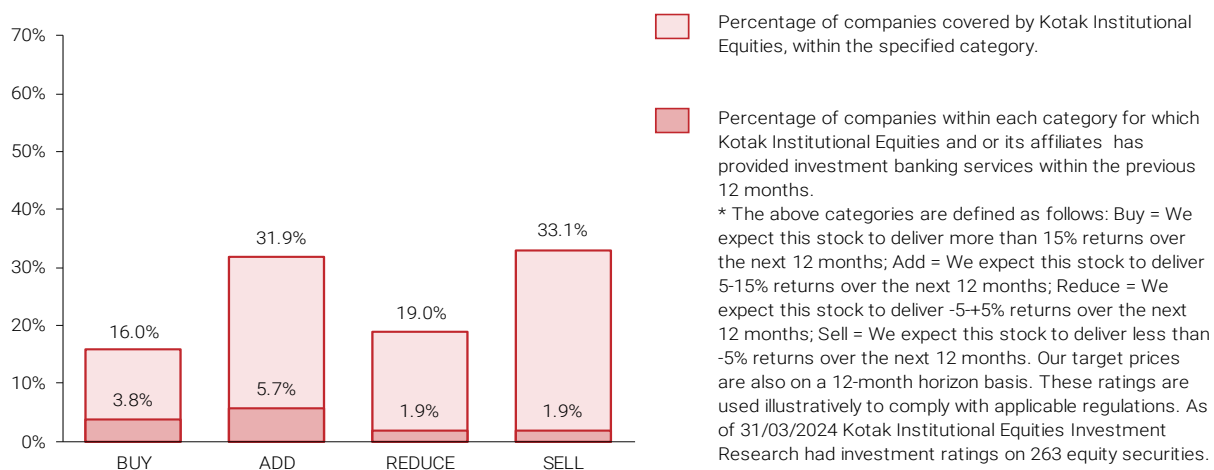
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