Equity Research

January 4, 2021

BSE Sensex: 47869

ICICI Securities Limited is the author and distributor of this report

Industry update

Automobiles

Retail demand and Mobility trends

INDIA

Automobiles

Retail growth aided by low base; mobility data weakens

In continuation to our mobility series, we are monitoring mobility and retail demand trends as we believe both these data points have a lead lag effect. Key takeaways for Dec'20: a) Mobility data improvement trends are stalling globally with some regions being more effected that others (e.g. Europe - *Refer charts 1-4)*; India witnessed improvement in mobility trends in most states, with Eastern regions leading while South still remains a laggard (e.g. Telangana, Karnataka); b) on domestic retail demand trends, demand for PVs (up ~23% YoY) have outpaced 2Ws (up ~11%) owing to favourable base effect (BS-VI transition impact in Dec'19). Both segments (PV/2W) on a YTD basis remain down ~24%/36% respectively; tractor segment continued its strong demand trajectory up ~34% (*Refer table 1*), 3Ws segment still remain most impacted by lack of full scale reopening in urban cities; and c) retail market share trends indicate strong market share gains in PV's for Kia/Tata Motors (*Refer table 9-16*).

Key observations

- **India's state-wise retail analysis** indicates retail sales have increased across most categories on a MoM basis except PVs/2Ws (both down 10%/2% respectively). The consumer segment demand decline on MoM basis reflects the festive season effect in Nov'20 purchases. Registrations for tractors continued to buck the trend (up 36.8% MoM/ 34.2%YoY), upcoming winter crop cycle bodes well for demand sustenance. Dec'19 retail registrations base was potentially impacted due to BS-VI transition as consumers had deferred purchases for lucrative deals in Q4FY20. CV segment registrations trends have been relatively modest (unlike the trends in Dec'20 dispatches) ***(Refer tables 4-8).***

Table 1: Domestic retail registration trends

Particulars	Dec-19	Dec-20	YoY	Nov-20	MoM	YTDFY20	YTDFY21	YoY
PVs	2,15,713	2,66,227	23.4%	2,95,791	-10.0%	20,00,317	15,23,405	-23.8%
2-Ws	12,72,436	14,12,860	11.0%	14,41,585	-2.0%	124,13,900	79,74,356	-35.8%
Total -3W	58,542	27,611	-52.8%	24,243	13.9%	5,11,635	1,54,778	-69.7%
3W-ICE	44,560	17,882	-59.9%	16,075	11.2%	4,08,903	1,04,741	-74.4%
e-Rickshaw	13,982	9,729	-30.4%	8,168	19.1%	1,02,732	50,037	-51.3%
CV	62,416	50,661	-18.8%	51,757	-2.1%	6,51,435	2,71,307	-58.4%
Tractor	50,774	68,141	34.2%	49,795	36.8%	3,94,328	4,46,988	13.4%
Total	**16,63,479**	**18,35,832**	**10.4%**	**18,71,191**	**-1.9%**	**159,68,533**	**104,26,853**	**-34.7%**

Source: Vahan, I-Sec research; ICE – Internal Combustion Engine; Festive: Oct/Nov period combined

- **In India, workplace mobility data** after witnessing improvements in May/Jun'20, had plateaued in Jul/Aug'20 and had improved in Sept'20 across a few states. Dec'20 data reflects certain regions (led by East) clocking traffic similar to pre-Covid levels. Overall, the traffic rebound on an aggregate basis saw some improvement in workplace mobility (down 21% YoY), while transit mobility remained weak (down 17% YoY) as West and South remained the most affected (***charts 7-10)***.

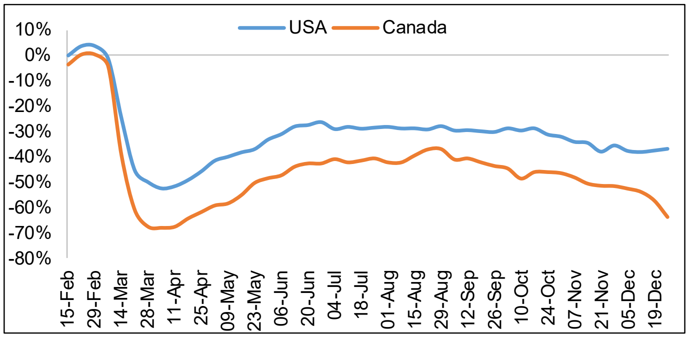
- **Few observations on OEM-wise market share trends**: 1) strong market share gains (YTD basis) by Kia (320 bps YoY) and Tata Motors (200bps YoY) at the expense of Toyota, M&M and Honda potentially due to the gains for the winners in the SUV segment; 2); in 2W space, Honda and TVS Motors has made marginal gains in market share (up 40/50 bps respectively) on YTD basis; 3) relatively sticky market share segment - tractor also witnessed M&M and TAFE make gains on YTD basis (up 40/100 bps respectively) (***Refer Table 9-16***).

Research Analysts:

Nishant Vass
nishant.vass@icicisecurities.com
+91 22 6637 7260

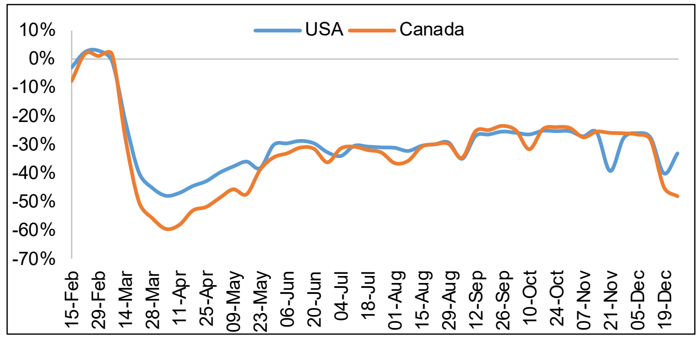
Pratit Vajani
pratit.vajani@icicisecurities.com
+91 22 6637 7161

Chart 1: Transit mobility trends during Covid-19 crisis in North America



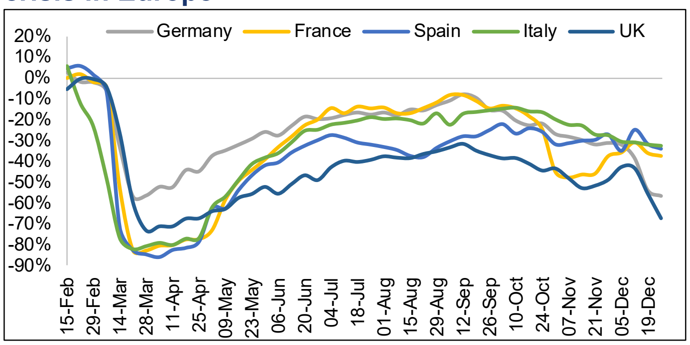
Source: Google Mobility report, I-Sec research

Chart 2: Workplace mobility trends during Covid-19 crisis in North America



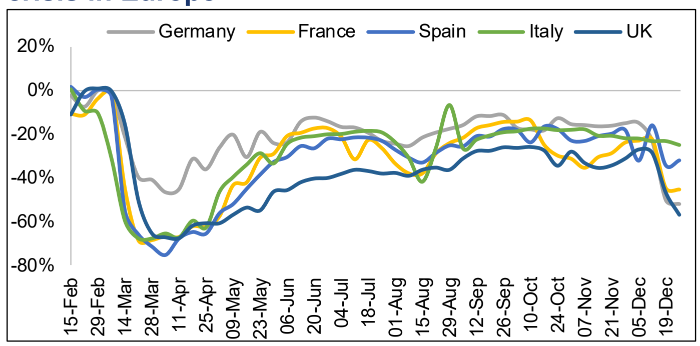
Source: Google Mobility report, I-Sec research

Chart 3: Transit mobility trends during Covid-19 crisis in Europe



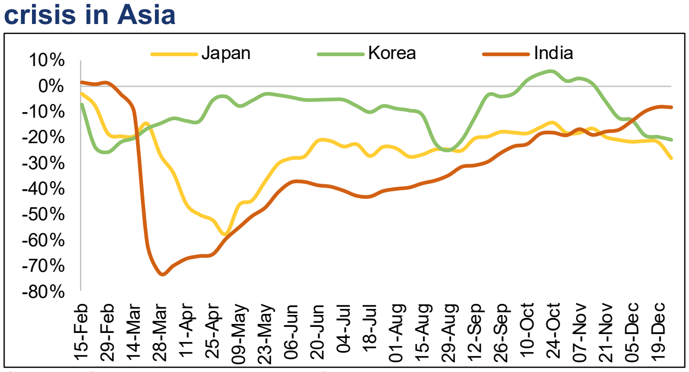
Source: Google Mobility report, I-Sec research

Chart 4: Workplace mobility trends during Covid-19 crisis in Europe



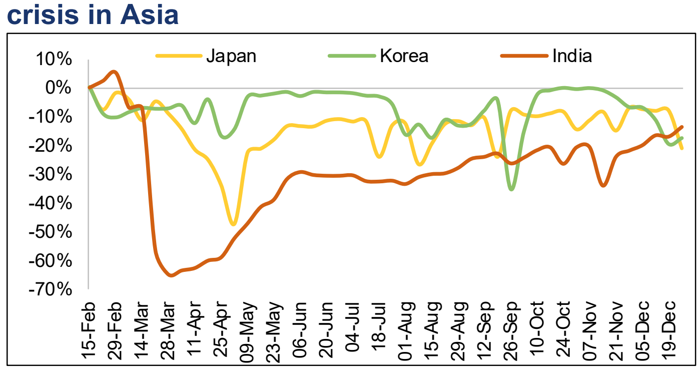
Source: Google Mobility report, I-Sec research

Chart 5: Transit mobility trends during Covid-19 crisis in Asia



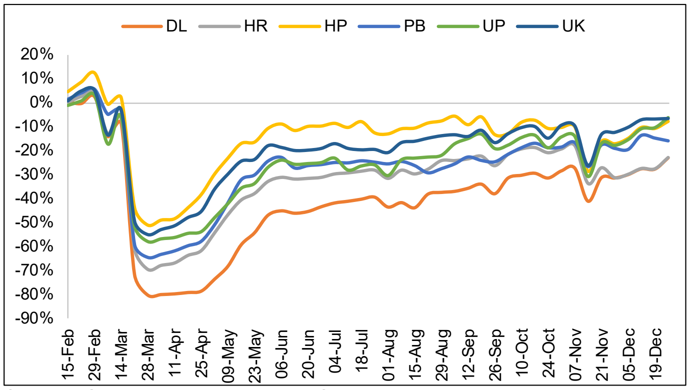
Source: Google Mobility report, I-Sec research

Chart 6: Workplace mobility trends during Covid-19 crisis in Asia



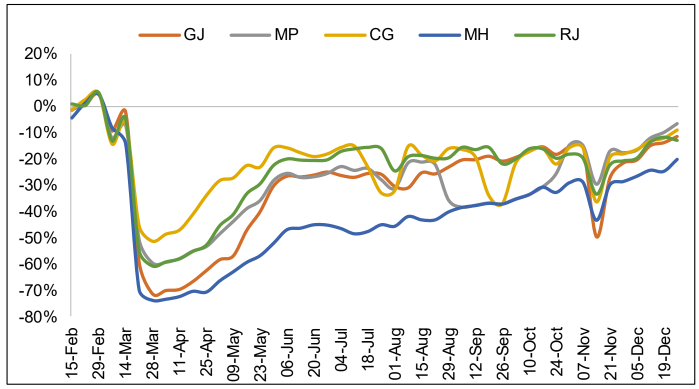
Source: Google Mobility report, I-Sec research

Chart 7: India – North zone workplace mobility trends



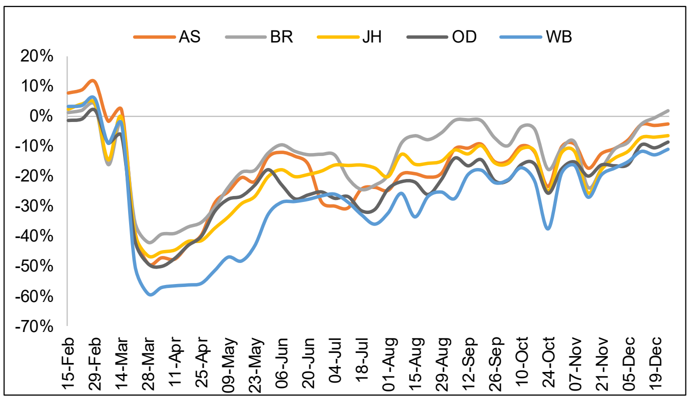
Source: Google Mobility report, I-Sec research

Chart 8: India – West zone workplace mobility trends



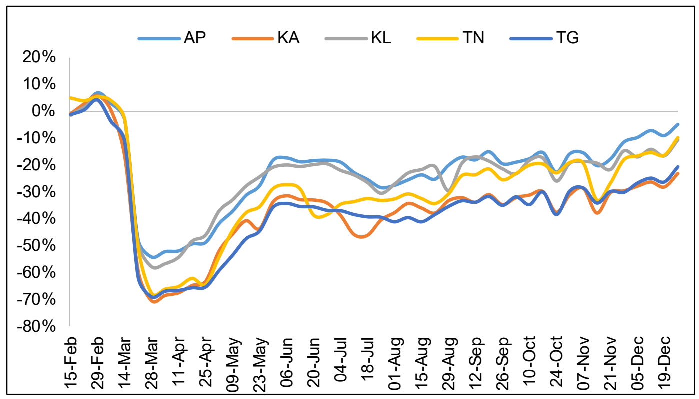
Source: Google Mobility report, I-Sec research

Chart 9: India – East zone workplace mobility trends



Source: Google Mobility report, I-Sec research

Chart 10: India – South zone workplace mobility trends



Source: Google Mobility report, I-Sec research

Monthly retail data based on retail registration data available from Vahan (MoRTH) for Dec'20 covers 1,141 of 1,461 (~78%) regional transport offices (RTOs) as RTOs in most states are functioning normally. Post the reopening of the lockdown, underlying operational RTOs have been increasing at a quick pace from 930 in May to higher than pre-Covid level of 1,132 in March.

Table 2: Overall retail registration trend

Particulars	Dec-19	Dec-20	YoY	Nov-20	MoM	YTDFY20	YTDFY21	YoY
PVs	2,15,713	2,66,227	23.4%	2,95,791	-10.0%	20,00,317	15,23,405	-23.8%
2-Ws	12,72,436	14,12,860	11.0%	14,41,585	-2.0%	1,24,13,900	79,74,356	-35.8%
Total -3W	58,542	27,611	-52.8%	24,243	13.9%	5,11,635	1,54,778	-69.7%
3W-ICE	44,560	17,882	-59.9%	16,075	11.2%	4,08,903	1,04,741	-74.4%
e-Rickshaw	13,982	9,729	-30.4%	8,168	19.1%	1,02,732	50,037	-51.3%
CV	62,416	50,661	-18.8%	51,757	-2.1%	6,51,435	2,71,307	-58.4%
Tractor	50,774	68,141	34.2%	49,795	36.8%	3,94,328	4,46,988	13.4%
Total	**16,63,479**	**18,35,832**	**10.4%**	**18,71,191**	**-1.9%**	**1,59,68,533**	**1,04,26,853**	**-34.7%**

Source: Vahan, I-Sec research; ICE – Internal Combustion Engine

Key observations on retail sales:

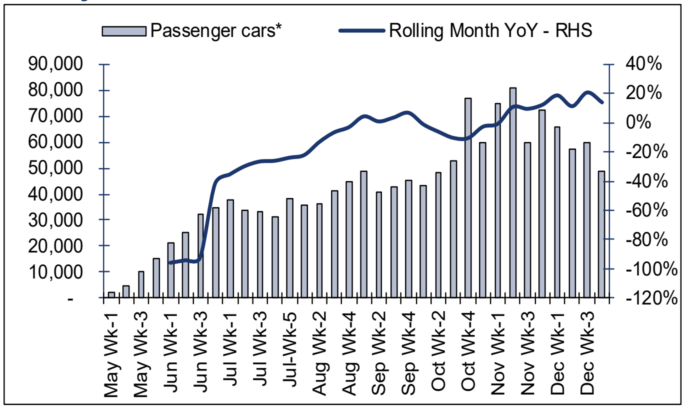
- Overall registrations in Dec'20 witnessed ~10% YoY growth albeit on a lower base and decreased ~2% MoM even as mobility levels declined across states. The MoM improvement across segments was on expected lines due to delay in retails in FY20 in anticipation of file sales for BS-IV products.
- PV registrations improved 23.4% YoY (due to lower base effect), while 2W registrations grew 11% YoY.
- 3W segment saw highest slump in registrations, down ~53% YoY, due to restricted use of public transport as well as freight; CV demand remains weak because of restrained economic activity and presence of excess idle capacity.
- Tractor demand remained the strongest (up ~34% YoY) compared to other segments.
- Channel checks indicate urban demand is recovering well as workplace-reopening theme continues to play out, thus demand for PVs has witnessed good traction. Discounting trends continue on downward trajectory. OEMs have pushed channel inventory in anticipation of higher sales before the Jan'21 price hike. However, marriage demand in Jan/Feb'21 may remain stunted due to various restrictions on gatherings and events.
- Overall states that are performing relatively better are rural-oriented ones (*tables 5-9*), e.g. Haryana, Uttar Pradesh, Maharashtra, etc.

Table 3: Top-8 states PV/2W growth trends

	PV				2W			
State	Dec '20	YoY Growth	YTD-FY21	YoY	Dec '20	YoY Growth	YTD-FY21	YoY
Uttar Pradesh	40,074	60.1%	1,71,281	-21.2%	3,22,826	21.9%	13,30,423	-36.9%
Maharashtra	30,653	32.9%	1,80,663	-24.3%	1,92,729	18.6%	8,20,516	-36.0%
Gujarat	23,400	10.5%	1,41,839	-27.3%	79,930	-14.1%	4,52,767	-49.6%
Rajasthan	16,545	36.2%	91,518	-22.5%	99,834	4.0%	5,33,703	-40.4%
Karnataka	15,734	20.7%	1,12,814	-22.1%	70,446	-8.6%	5,48,304	-38.2%
Haryana	19,128	24.2%	94,775	-28.1%	53,003	15.7%	2,67,473	-38.4%
Tamil Nadu	18,104	14.1%	97,472	-30.6%	97,947	3.9%	8,11,373	-29.3%
Bihar	5,497	2.9%	39,202	-19.1%	85,179	18.8%	5,36,240	-34.5%

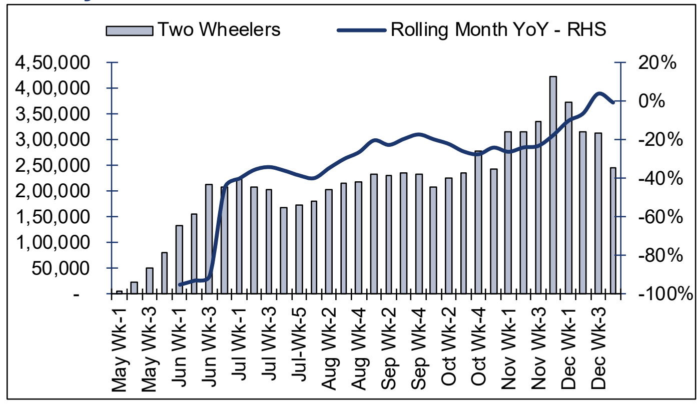
Source: Vahan, I-Sec research

Chart 15: PV – Rolling month YoY progress in weekly retails



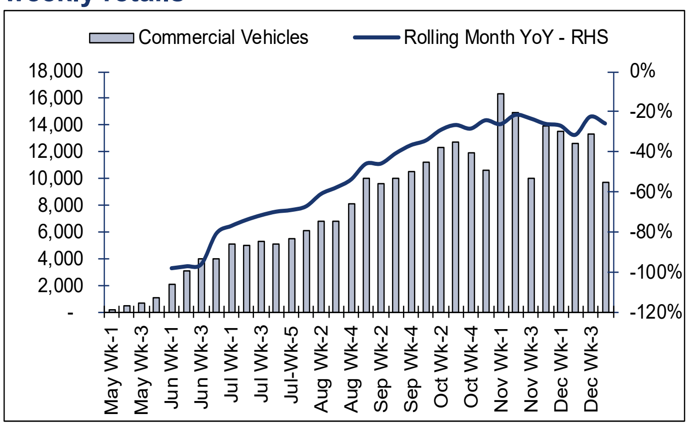
Source: Vahan, I-Sec research * PV Ex-vans

Chart 16: 2W – Rolling month YoY progress in weekly retails



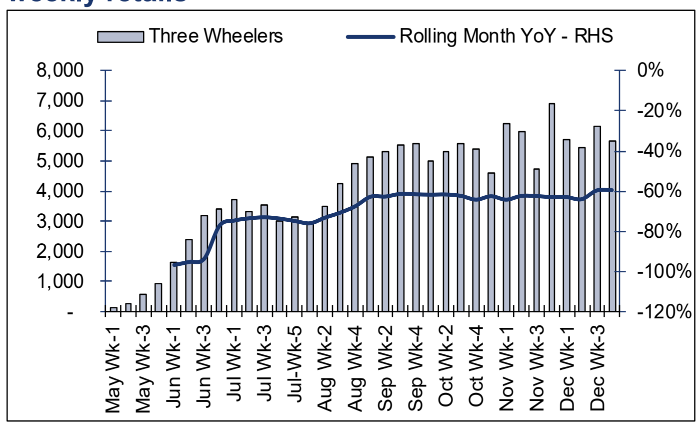
Source: Vahan, I-Sec research

Chart 17: CV – Rolling month YoY progress in weekly retails



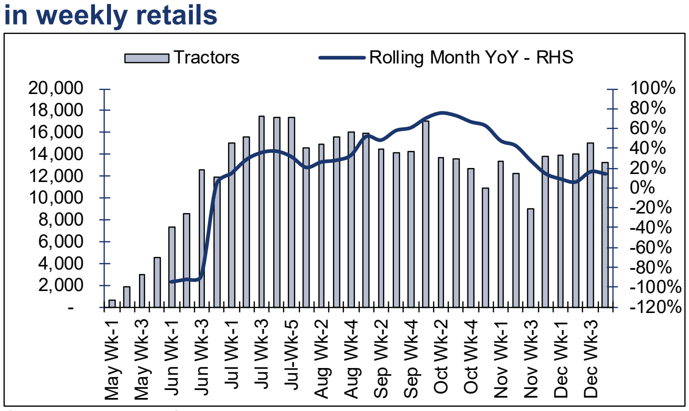
Source: Vahan, I-Sec research

Chart 18: 3W – Rolling month YoY progress in weekly retails



Source: Vahan, I-Sec research

Chart 19: Tractors – Rolling month YoY progress in weekly retails



Source: Vahan, I-Sec research

Table 4: Top 20 states – passenger vehicle registration trends

No	State	Dec-19	Nov-20	Dec-20	MoM	YoY	% Contribution
1	Maharashtra	23,063	37,447	30,653	-18.1%	32.9%	11.9%
2	Uttar Pradesh	25,023	34,066	40,074	17.6%	60.1%	11.2%
3	Gujarat	21,167	30,933	23,400	-24.4%	10.5%	9.3%
4	Karnataka	13,041	22,675	15,734	-30.6%	20.7%	7.4%
5	Kerala	12,787	17,008	13,038	-23.3%	2.0%	6.5%
6	Tamil Nadu	15,860	16,594	18,104	9.1%	14.1%	6.4%
7	Haryana	15,402	16,783	19,128	14.0%	24.2%	6.2%
8	Rajasthan	12,152	19,830	16,545	-16.6%	36.2%	6.0%
9	Delhi	13,817	16,123	13,762	-14.6%	-0.4%	5.4%
10	West Bengal	6,413	10,034	10,263	2.3%	60.0%	3.9%
11	Punjab	11,256	9,584	10,882	13.5%	-3.3%	3.7%
12	Assam	4,764	7,257	7,447	2.6%	56.3%	2.9%
13	Bihar	5,340	8,492	5,497	-35.3%	2.9%	2.6%
14	Himachal Pradesh	5,377	7,872	6,890	-12.5%	28.1%	2.6%
15	Jammu & Kashmir	3,543	5,749	5,820	1.2%	64.3%	2.5%
16	Jharkhand	4,125	7,522	5,457	-27.5%	32.3%	2.3%
17	Odisha	4,613	6,075	5,630	-7.3%	22.0%	2.2%
18	Chhattisgarh	3,261	7,369	4,029	-45.3%	23.6%	2.0%
19	Uttarakhand	3,921	5,365	4,973	-7.3%	26.8%	1.7%
20	Chandigarh	2,055	1,540	1,768	14.8%	-14.0%	0.6%
	Total	**2,15,713**	**2,95,791**	**2,66,227**	**-10.0%**	**23.4%**	**97.3%**

Source: *Vahan*, I-Sec research

Table 5: Top 20 states – 2W registration trends

No	State	Dec-19	Nov-20	Dec-20	MoM	YoY	% Contribution
1	Uttar Pradesh	2,64,914	1,60,476	3,22,826	101.2%	21.9%	16.7%
2	Maharashtra	1,62,562	1,78,710	1,92,729	7.8%	18.6%	10.3%
3	Tamil Nadu	94,290	1,23,189	97,947	-20.5%	3.9%	10.2%
4	West Bengal	76,150	86,319	1,12,268	30.1%	47.4%	7.4%
5	Karnataka	77,109	96,753	70,446	-27.2%	-8.6%	6.9%
6	Bihar	71,684	1,04,184	85,179	-18.2%	18.8%	6.7%
7	Rajasthan	95,970	1,25,185	99,834	-20.3%	4.0%	6.7%
8	Gujarat	93,104	1,09,722	79,930	-27.2%	-14.1%	5.7%
9	Odisha	45,385	57,444	42,339	-26.3%	-6.7%	4.0%
10	Kerala	38,139	48,351	43,889	-9.2%	15.1%	3.8%
11	Haryana	45,818	41,136	53,003	28.8%	15.7%	3.4%
12	Jharkhand	36,494	56,890	37,833	-33.5%	3.7%	3.2%
13	Chhattisgarh	33,641	66,995	35,771	-46.6%	6.3%	3.1%
14	Punjab	52,623	49,218	41,265	-16.2%	-21.6%	2.8%
15	Assam	18,556	35,041	32,947	-6.0%	77.6%	2.5%
16	Delhi	20,862	41,270	18,066	-56.2%	-13.4%	2.4%
17	Uttarakhand	12,568	20,802	15,527	-25.4%	23.5%	1.2%
18	Jammu & Kashmir	6,169	9,128	5,913	-35.2%	-4.1%	0.9%
19	Himachal Pradesh	7,389	9,520	7,919	-16.8%	7.2%	0.7%
20	Tripura	2,719	4,128	3,386	-18.0%	24.5%	0.3%
	Total	**12,72,436**	**14,41,585**	**14,12,860**	**-2.0%**	**11.0%**	**98.8%**

Source: *Vahan*, I-Sec research

Table 6: Top 20 states – commercial vehicle registration trends

No	State	Dec-19	Nov-20	Dec-20	MoM	YoY	% Contribution
1	Maharashtra	8,912	7,790	6,891	-11.5%	-22.7%	12.3%
2	Uttar Pradesh	6,069	4,657	4,857	4.3%	-20.0%	10.1%
3	Tamil Nadu	4,739	4,042	4,041	0.0%	-14.7%	8.6%
4	Bihar	5,140	2,933	3,361	14.6%	-34.6%	7.7%
5	Karnataka	4,197	3,884	2,814	-27.5%	-33.0%	6.4%
6	Gujarat	4,824	3,315	2,947	-11.1%	-38.9%	5.8%
7	Odisha	4,644	2,597	2,617	0.8%	-43.6%	5.8%
8	Rajasthan	3,951	2,817	2,999	6.5%	-24.1%	5.5%
9	West Bengal	3,464	2,553	2,919	14.3%	-15.7%	5.3%
10	Kerala	2,327	2,148	2,235	4.1%	-4.0%	4.1%
11	Haryana	2,939	2,047	2,472	20.8%	-15.9%	4.1%
12	Assam	1,509	1,758	1,931	9.8%	28.0%	3.6%
13	Delhi	1,350	1,479	1,156	-21.8%	-14.4%	2.1%
14	Chhattisgarh	1,448	1,371	937	-31.7%	-35.3%	2.1%
15	Punjab	1,870	949	1,166	22.9%	-37.6%	1.9%
16	Jammu & Kashmir	427	636	773	21.5%	81.0%	1.7%
17	Jharkhand	1,288	725	924	27.4%	-28.3%	1.6%
18	Himachal Pradesh	825	411	604	47.0%	-26.8%	1.2%
19	Uttarakhand	727	447	531	18.8%	-27.0%	1.1%
20	Nagaland	612	390	332	-14.9%	-45.8%	0.6%
	Total	**62,416**	**51,757**	**50,661**	**-2.1%**	**-18.8%**	**91.6%**

Source: *Vahan*, I-Sec research

Table 7: Top 20 states – 3W registration trends

No	State	Dec-19	Nov-20	Dec-20	MoM	YoY	% Contribution
1	Uttar Pradesh	10,051	4,717	5,979	26.8%	-40.5%	19.4%
2	Bihar	7,367	3,052	4,527	48.3%	-38.6%	15.1%
3	Maharashtra	6,511	1,948	2,390	22.7%	-63.3%	8.5%
4	West Bengal	2,854	1,749	1,885	7.8%	-34.0%	7.0%
5	Assam	1,809	1,562	1,698	8.7%	-6.1%	6.1%
6	Karnataka	3,455	1,538	974	-36.7%	-71.8%	5.5%
7	Kerala	2,283	1,175	1,092	-7.1%	-52.2%	4.6%
8	Delhi	2,611	1,354	1,177	-13.1%	-54.9%	4.5%
9	Rajasthan	2,417	845	1,121	32.7%	-53.6%	4.0%
10	Gujarat	6,264	1,301	936	-28.1%	-85.1%	3.9%
11	Tamil Nadu	2,877	863	937	8.6%	-67.4%	3.8%
12	Odisha	1,919	898	901	0.3%	-53.0%	3.7%
13	Jharkhand	2,112	917	1,188	29.6%	-43.8%	3.6%
14	Haryana	2,782	496	891	79.6%	-68.0%	3.0%
15	Tripura	659	769	697	-9.4%	5.8%	2.6%
16	Uttarakhand	724	248	275	10.9%	-62.0%	1.0%
17	Jammu & Kashmir	126	176	182	3.4%	44.4%	1.0%
18	Punjab	784	158	245	55.1%	-68.8%	0.8%
19	Chhattisgarh	596	246	213	-13.4%	-64.3%	0.7%
20	Mizoram	32	63	154	144.4%	381.3%	0.4%
	Total	**58,542**	**24,243**	**27,611**	**13.9%**	**-52.8%**	**99.2%**

Source: *Vahan*, I-Sec research

Table 8: Top 20 states – tractor registration trends

No	State	Dec-19	Nov-20	Dec-20	MoM	YoY	% Contribution
1	Uttar Pradesh	11,293	7,127	14,920	109.3%	32.1%	19.1%
2	Rajasthan	7,594	6,956	10,315	48.3%	35.8%	14.3%
3	Maharashtra	5,160	6,973	8,105	16.2%	57.1%	12.4%
4	Gujarat	4,101	4,492	4,710	4.9%	14.9%	10.1%
5	Bihar	4,959	3,680	5,977	62.4%	20.5%	7.6%
6	Karnataka	2,971	3,771	3,170	-15.9%	6.7%	6.1%
7	Haryana	3,586	3,348	4,405	31.6%	22.8%	6.1%
8	Chhattisgarh	2,469	2,727	3,465	27.1%	40.3%	4.3%
9	Tamil Nadu	1,228	2,179	1,846	-15.3%	50.3%	4.1%
10	Punjab	2,101	2,224	2,846	28.0%	35.5%	3.8%
11	West Bengal	1,467	1,561	2,644	69.4%	80.2%	3.3%
12	Odisha	1,854	1,882	2,070	10.0%	11.7%	3.1%
13	Jharkhand	1,027	1,245	1,696	36.2%	65.1%	2.3%
14	Assam	535	1,007	1,187	17.9%	121.9%	2.2%
15	Uttarakhand	283	317	419	32.2%	48.1%	0.5%
16	Himachal Pradesh	173	167	201	20.4%	16.2%	0.3%
17	Jammu & Kashmir	86	20	34	70.0%	-60.5%	0.1%
18	Kerala	26	54	61	13.0%	134.6%	0.1%
19	Arunachal Pradesh	19	38	36	-5.3%	89.5%	0.0%
20	Puducherry	2	7	9	-	350.0%	0.0%
	Total	**50,774**	**49,795**	**68,141**	**36.8%**	**34.2%**	**99.8%**

Source: *Vahan*, I-Sec research

Table 9: Historic PV retail market share trends

No	OEM	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	YTDFY21
1	Maruti Suzuki*	38.2%	37.8%	40.2%	43.2%	45.0%	45.7%	48.1%	50.0%	48.5%	49.8%
2	Fiat India	0.6%	0.3%	0.4%	0.5%	0.3%	0.2%	0.4%	0.5%	0.4%	0.2%
3	Ford	3.7%	3.0%	3.3%	2.9%	2.6%	2.9%	2.6%	2.8%	2.4%	1.9%
4	Honda Cars	2.1%	2.8%	4.8%	6.7%	6.8%	5.3%	5.3%	5.4%	4.2%	3.0%
5	Hyundai motors	14.9%	15.0%	15.1%	16.0%	16.7%	16.3%	16.3%	16.1%	16.9%	17.7%
6	Jaguar Land Rover	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%	0.1%	0.1%	0.1%	0.1%
7	Kia Motors	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	2.3%	5.5%
8	M & M	8.5%	10.4%	9.3%	7.8%	7.5%	7.2%	6.7%	6.9%	7.1%	5.1%
9	Mercedes-Benz	0.3%	0.3%	0.4%	0.4%	0.4%	0.4%	0.5%	0.4%	0.4%	0.3%
10	MG Motor	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.7%	1.0%
11	Nissan	1.0%	1.3%	1.2%	1.5%	1.1%	1.3%	1.2%	1.0%	0.9%	0.3%
12	Renault	0.1%	1.3%	2.2%	1.8%	2.3%	4.1%	3.3%	2.6%	3.1%	3.2%
13	Skoda	1.2%	1.2%	0.8%	0.7%	0.6%	0.5%	0.5%	0.5%	0.5%	1.0%
14	Tata Motors	12.3%	10.6%	7.3%	5.5%	4.8%	4.7%	5.5%	6.1%	5.6%	7.6%
15	Toyota Kirlosakar	5.7%	6.0%	5.7%	5.1%	4.6%	4.5%	4.2%	4.2%	3.9%	2.9%
16	Volkswagen India	2.9%	2.4%	2.2%	1.8%	1.5%	1.5%	1.3%	1.1%	0.9%	0.1%
17	Volvo Auto	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%

Source: *Vahan*, I-Sec research; PV = PC+UV

Table 10: PV retail monthly market share trends

No	OEM	Jan-20	Feb-20	Mar-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
1	Maruti Suzuki*	52.0%	50.9%	44.7%	52.9%	52.5%	50.6%	49.7%	50.1%	50.0%	49.5%	48.6%
2	Fiat India	0.3%	0.3%	0.4%	0.2%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%
3	Ford	1.8%	1.6%	2.2%	2.5%	2.2%	2.1%	1.9%	1.7%	1.9%	2.0%	1.8%
4	Honda Cars	3.2%	2.9%	2.8%	2.3%	2.2%	2.1%	2.7%	2.9%	3.2%	3.4%	3.5%
5	Hyundai motors	15.9%	15.7%	15.5%	19.1%	19.0%	18.8%	19.5%	18.1%	17.2%	16.3%	17.3%
6	Jaguar Land Rover	0.1%	0.1%	0.2%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
7	Kia Motors	3.4%	4.6%	4.5%	5.9%	4.7%	4.6%	4.3%	4.2%	6.5%	6.4%	6.6%
8	M & M	6.1%	7.5%	8.7%	2.2%	3.7%	4.8%	4.9%	5.4%	4.8%	5.3%	5.7%
9	Mercedes-Benz	0.4%	0.4%	0.4%	0.2%	0.2%	0.3%	0.3%	0.3%	0.4%	0.3%	0.3%
10	MG Motor	0.9%	1.1%	0.9%	0.8%	0.9%	0.9%	0.9%	0.9%	1.0%	1.1%	1.1%
11	Nissan	0.7%	0.9%	1.7%	0.0%	0.1%	0.2%	0.2%	0.4%	0.3%	0.3%	0.3%
12	Renault	3.8%	3.8%	4.5%	3.1%	3.0%	3.2%	3.2%	3.4%	2.9%	3.1%	3.4%
13	Skoda	0.6%	0.6%	0.7%	0.2%	0.7%	1.1%	1.1%	1.1%	1.1%	1.0%	0.8%
14	Tata Motors	5.5%	5.5%	7.4%	6.1%	6.9%	8.2%	7.9%	8.0%	7.3%	7.5%	7.2%
15	Toyota Kirlosakar	3.1%	2.7%	3.4%	4.2%	3.4%	2.8%	2.6%	2.6%	2.8%	3.1%	2.8%
16	Volkswagen India	1.0%	0.6%	0.5%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
17	Volvo Auto	0.1%	0.1%	0.1%	0.0%	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%	0.0%

Source: *Vahan*, I-Sec research; Apr'20 not included due to lockdown; PV = PC + UV

Table 11: Historic 2W retail market share trends

No	OEM	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	YTDFY21
1	Bajaj Auto	18.9%	18.0%	14.8%	11.7%	11.0%	11.0%	9.6%	11.1%	12.0%	11.1%
2	Classic Legends	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.2%	0.2%
3	Ather Energy	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	H-D Motor Co.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Hero Motocorp	44.3%	40.7%	39.6%	37.7%	36.5%	34.7%	35.5%	35.5%	37.4%	37.1%
6	Honda Motorcycles	14.5%	18.4%	22.0%	25.6%	25.5%	26.1%	27.7%	27.0%	24.9%	25.3%
7	Kawasaki Motors	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	Yamaha Motor	2.5%	2.5%	3.1%	3.4%	3.7%	4.1%	3.9%	3.9%	3.3%	3.6%
9	Mahindra	1.0%	0.8%	1.3%	1.1%	0.9%	0.4%	0.1%	0.0%	0.0%	0.0%
10	Piaggio	0.0%	0.2%	0.2%	0.2%	0.1%	0.2%	0.3%	0.3%	0.4%	0.3%
11	Revolt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
12	Royal Enfield	0.7%	0.9%	1.4%	2.2%	3.1%	3.9%	4.2%	4.0%	3.8%	3.9%
13	Suzuki Motorcycle	2.5%	3.0%	2.5%	2.2%	2.0%	1.9%	2.5%	3.1%	3.6%	3.6%
14	Triumph	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	TVS Motor	14.1%	12.6%	11.5%	12.3%	12.6%	13.5%	13.4%	14.7%	14.2%	14.7%

Source: *Vahan*, I-Sec research

Table 12: 2W retail monthly market share trends

No	OEM	Jan-20	Feb-20	Mar-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
1	Bajaj Auto	12.0%	11.6%	12.1%	8.8%	9.2%	10.6%	11.1%	12.0%	11.3%	10.8%	11.3%
2	Classic Legends	0.3%	0.3%	0.3%	0.0%	0.0%	0.1%	0.2%	0.2%	0.2%	0.2%	0.2%
3	Ather Energy	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
4	H-D Motor Co.	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
5	Hero Motocorp	36.9%	38.0%	42.8%	26.2%	40.0%	40.6%	36.4%	33.7%	32.0%	37.1%	39.4%
6	Honda Motorcycles	24.4%	24.1%	21.4%	32.2%	24.9%	23.2%	25.1%	25.7%	28.2%	27.1%	24.5%
7	Kawasaki Motors	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
8	Yamaha Motor	3.2%	3.3%	2.9%	5.0%	3.8%	3.7%	4.0%	4.3%	4.0%	3.3%	3.0%
9	Mahindra	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Piaggio	0.4%	0.4%	0.4%	0.3%	0.2%	0.2%	0.3%	0.3%	0.4%	0.3%	0.3%
11	Revolt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
12	Royal Enfield	4.2%	4.3%	3.0%	5.7%	4.6%	3.9%	3.9%	4.1%	4.5%	3.5%	3.6%
13	Suzuki Motorcycle	3.9%	3.7%	3.0%	5.1%	3.5%	3.4%	3.4%	4.0%	4.2%	3.7%	3.1%
14	Triumph	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	TVS Motor	14.4%	14.1%	14.0%	16.4%	13.7%	14.2%	15.5%	15.4%	14.9%	13.8%	14.4%

Source: *Vahan*, I-Sec research; Apr'20 not included due to lockdown

Table 13: Historic 3W retail market share trends

No	OEM	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	YTDFY21
1	Atul Auto	6%	6%	8%	8%	8%	7%	5%	5%	7%	4%
2	Bajaj Auto	38%	42%	39%	44%	44%	42%	49%	49%	44%	37%
3	M&M	11%	10%	10%	9%	8%	7%	6%	6%	7%	5%
4	Piaggio	31%	30%	30%	27%	25%	22%	18%	19%	19%	20%
5	TVS Motor	3%	3%	3%	4%	3%	2%	2%	2%	2%	3%

Source: *Vahan*, I-Sec research

Table 14: 3W retail monthly market share trends

No	OEM	Jan-20	Feb-20	Mar-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
1	Atul Auto	5.5%	6.3%	13.5%	0.0%	0.8%	2.3%	3.7%	3.9%	3.9%	4.4%	4.3%
2	Bajaj Auto	44.5%	42.3%	33.3%	47.4%	41.4%	37.5%	38.1%	38.3%	37.4%	36.5%	34.5%
3	M&M	7.5%	8.0%	11.0%	7.3%	4.1%	3.2%	3.0%	3.1%	3.6%	5.1%	5.5%
4	Piaggio	18.7%	19.7%	22.5%	16.1%	19.4%	20.3%	21.9%	22.4%	19.6%	18.5%	18.1%
5	TVS Motor	1.7%	1.8%	1.9%	2.7%	1.2%	2.6%	2.4%	2.9%	3.2%	2.7%	2.9%

Source: *Vahan*, I-Sec research; Apr'20 not included due to lockdown

Table 15: Historic tractor retail market share trends

No	OEM	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	YTDFY21
1	Action Tractors	0.8%	0.8%	0.7%	0.6%	0.6%	0.5%	0.5%	0.5%	0.4%	0.3%
2	Captain Tractors	0.0%	0.0%	0.0%	0.2%	0.2%	0.4%	0.5%	0.5%	0.4%	0.5%
3	Case New Holland	4.4%	4.4%	4.3%	4.1%	4.1%	3.4%	3.6%	3.7%	3.8%	3.7%
4	Eicher Tractors	7.1%	7.0%	6.9%	7.2%	6.9%	6.8%	6.6%	6.8%	6.9%	6.3%
5	Escorts	12.2%	11.4%	10.3%	9.5%	9.2%	9.0%	9.1%	11.9%	11.4%	10.7%
6	Indo Farm	0.4%	0.4%	0.4%	0.5%	0.6%	0.5%	0.3%	0.4%	0.4%	0.2%
7	International Tractors	7.1%	8.5%	9.4%	10.1%	10.8%	10.0%	11.2%	12.5%	12.1%	12.2%
8	John Deere	5.3%	4.4%	4.4%	4.0%	4.3%	4.6%	6.0%	6.9%	7.6%	7.4%
9	Kubota	0.1%	0.3%	0.5%	0.7%	0.9%	0.8%	1.1%	1.1%	1.5%	1.8%
10	Mahindra	35.7%	35.4%	36.6%	36.4%	36.3%	37.7%	39.8%	40.0%	39.8%	40.2%
11	Preet Tractors	0.4%	0.5%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%	0.2%	0.2%
12	Same Deutz - Fahr	0.2%	0.2%	0.1%	0.1%	0.1%	0.1%	0.3%	0.3%	0.4%	0.4%
13	Sonalika	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%
14	TAFE	17.7%	18.9%	18.0%	17.0%	15.7%	14.3%	12.2%	10.9%	11.3%	12.3%
15	VST Tillers Tractors	0.4%	0.6%	0.7%	0.9%	1.1%	1.2%	1.7%	1.2%	1.0%	1.0%

Source: *Vahan*, I-Sec research

Table 16: Tractor retail monthly market share trends

No	OEM	Jan-20	Feb-20	Mar-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
1	Action Tractors	0.3%	0.4%	0.4%	0.4%	0.3%	0.2%	0.3%	0.3%	0.2%	0.3%	0.2%
2	Captain Tractors	0.4%	0.1%	0.1%	0.1%	0.1%	1.1%	1.2%	0.2%	0.3%	0.4%	0.4%
3	Case New Holland	3.7%	3.7%	3.4%	2.4%	3.1%	3.5%	3.7%	4.2%	4.1%	4.1%	3.7%
4	Eicher Tractors	7.1%	6.6%	6.5%	5.5%	5.8%	6.5%	6.6%	6.2%	6.5%	6.3%	6.4%
5	Escorts	11.4%	11.3%	12.5%	10.2%	11.9%	11.4%	10.3%	10.7%	10.0%	9.6%	10.5%
6	Indo Farm	0.3%	0.4%	0.4%	0.4%	0.2%	0.2%	0.2%	0.2%	0.2%	0.3%	0.2%
7	International Tractors	12.0%	12.1%	11.9%	10.1%	10.9%	11.8%	12.7%	12.8%	11.7%	11.7%	13.7%
8	John Deere	7.6%	7.9%	8.9%	7.7%	7.5%	6.6%	6.6%	7.3%	8.3%	8.5%	7.5%
9	Kubota	1.5%	1.8%	1.5%	1.1%	1.7%	1.6%	1.9%	2.3%	1.9%	1.6%	1.5%
10	Mahindra	40.5%	42.3%	41.4%	37.3%	40.2%	40.5%	39.9%	39.6%	39.9%	41.8%	40.8%
11	Preet Tractors	0.2%	0.2%	0.3%	0.0%	0.1%	0.1%	0.1%	0.2%	0.4%	0.4%	0.4%
12	Same Deutz - Fahr	0.4%	0.4%	0.6%	0.4%	0.4%	0.4%	0.3%	0.4%	0.4%	0.4%	0.4%
13	Sonalika	0.0%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.0%	0.0%
14	TAFE	11.4%	9.6%	9.2%	22.3%	14.5%	12.5%	11.4%	11.4%	12.8%	11.4%	11.6%
15	VST Tillers Tractors	0.9%	0.7%	0.9%	0.5%	0.8%	1.2%	1.5%	1.2%	0.8%	0.8%	0.6%

Source: *Vahan*, I-Sec research; Apr'20 not included due to lockdown

"In case of industry/sector reports or a report containing multiple stocks, the rating/recommendation for a particular stock may be based on the last released stock specific report for that company.

This report may be distributed in Singapore by ICICI Securities, Inc. (Singapore branch). Any recipients of this report in Singapore should contact ICICI Securities, Inc. (Singapore branch) in respect of any matters arising from, or in connection with, this report. The contact details of ICICI Securities, Inc. (Singapore branch) are as follows: Address: 10 Collyer Quay, #40-92 Ocean Financial Tower, Singapore - 049315, Tel: +65 6232 2451 and email: navneet_babbar@icicisecuritiesinc.com, Rishi_agrawal@icicisecuritiesinc.com.

"In case of eligible investors based in Japan, charges for brokerage services on execution of transactions do not in substance constitute charge for research reports and no charges are levied for providing research reports to such investors."

New I-Sec investment ratings (all ratings based on absolute return; All ratings and target price refers to 12-month performance horizon, unless mentioned otherwise)
BUY: >15% return; ADD: 5% to 15% return; HOLD: Negative 5% to Positive 5% return; REDUCE: Negative 5% to Negative 15% return; SELL: < negative 15% return

ANALYST CERTIFICATION
I/We, *Nishant Vass, MBA (Finance); Pratit Vajani, MBA (Finance);* authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. Analysts are not registered as research analysts by FINRA and are not associated persons of the ICICI Securities Inc. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:
ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products. ICICI Securities is Sebi registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities generally prohibits its analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

ICICI Securities Limited has two independent equity research groups: Institutional Research and Retail Research. This report has been prepared by the Institutional Research. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating, and target price of the Retail Research.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

This report has not been prepared by ICICI Securities, Inc. However, ICICI Securities, Inc. has reviewed the report and, in so far as it includes current or historical information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.