

auto Roundup

October 2006

Firing on all cylinders



SECTOR

WATCH 

Auto Round-up

Sales Update – September 2006

Summary: Auto industry – Firing on all cylinders

The automobile industry witnessed a growth of 16.49% in April-August 2006 as compared to the same period of the previous year.

Domestic sales (April – August 2006)

- The Passenger Vehicles Segment with sales at 519,842 units during the period (April - August 2006) has registered a growth of 20.6% on YoY basis as against 431,116 units sold during the same period of the previous year.
- The Passenger Car segment with sales at 408,515 units during the period has reported a strong growth of 23% on YoY basis when compared to 332,297 units sold in the same period of the last year.
- The Utility Vehicles (UV) segment posted an encouraging growth of 12% YoY with sales at 81,284 units when compared to the same period of the last year (72,609 units).
- The Multi-Purpose Vehicle segment (MPV) posted a growth of 14.6% on YoY basis with sales at 30,043 units during the period. Maruti Udyog Ltd. is the only player in this segment with a market share of 100%.
- The Commercial Vehicles (CV) segment with total sales at 163,849 units during the period April - August 2006 registered a strong growth of 38% YoY when compared to 118,817 units in the same period of the previous year.
- The Medium and Heavy Commercial Vehicles (M&HCV) segment with sales at 97,526 units has registered a strong growth of 41.5% on YoY basis. The Light Commercial Vehicles (LCV) segment with sales at 66,323 units posted a growth of 33% on YoY basis (49,887 units).
- The Three-wheelers segment sold 65,833 units during the period registering a growth of 20.6% on YoY basis.
- The Two-wheelers segment with sales at 3036,624 units reported a growth of 14.7% YoY when compared to 2648,404 units during the same period of the previous year. The motorcycle segment grew by 17% YoY with sales at 2532,927 units.

Exports (April – August 2006)

Overall auto exports registered 28.13% growth rate in April - August 2006. Passenger vehicles exports grew about 14%. Two wheelers exports grew by 28.8% YoY and Commercial Vehicles by 28.4%.

Table 1: Auto industry sales snapshot: April - August 2006

Segment / Sub-segment	Domestic Sales			Exports		
	Apr-Aug '05	Apr-Aug '06	YoY Change (%)	Apr-Aug '05	Apr-Aug '06	YoY Change (%)
Passenger Vehicles (PVs)						
Passenger Cars	332,297	408,515	23	72,221	81,896	13
Utility Vehicles	72,609	81,284	12	1,733	2,338	35
Multi-Purpose Vehicles	26,210	30,043	15	373	520	39
Total Passenger Vehicles	431,116	519,842	21	74,327	84,754	14
Medium & Heavy Commercial Vehicles						
Passenger Carriers	8,613	9,666	12	1,371	3,176	132
Goods Carriers	60,317	87,860	46	3,310	3,404	3
Total M & HCVs	68,930	97,526	41	4,681	6,580	41
Light Commercial Vehicles						
Passenger Carriers	9,465	10,176	8	893	1,675	88
Goods Carriers	40,422	56,147	39	8,971	10,415	16
Total LCVs	49,887	66,323	33	9,864	12,090	23
Three-wheelers						
Passenger Carriers	80,050	94,668	18	31,132	49,279	58
Goods Carriers	52,991	65,833	24	670	486	(27)
Total three-wheelers	133,041	160,501	21	31,802	49,765	56
Two-wheelers						
Scooters / Scooterettes	351,157	366,036	4	40,878	21,575	(47)
Motorcycle / Step-thrus	2,165,577	2,532,927	17	153,809	237,103	54
Mopeds	131,670	137,661	5	19,732	17,483	(11)
Total Two-wheelers	2,648,404	3,036,624	15	214,419	276,161	29
Grand Total	3,331,378	3,880,816	16	335,093	429,350	28

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Summary – September 2006

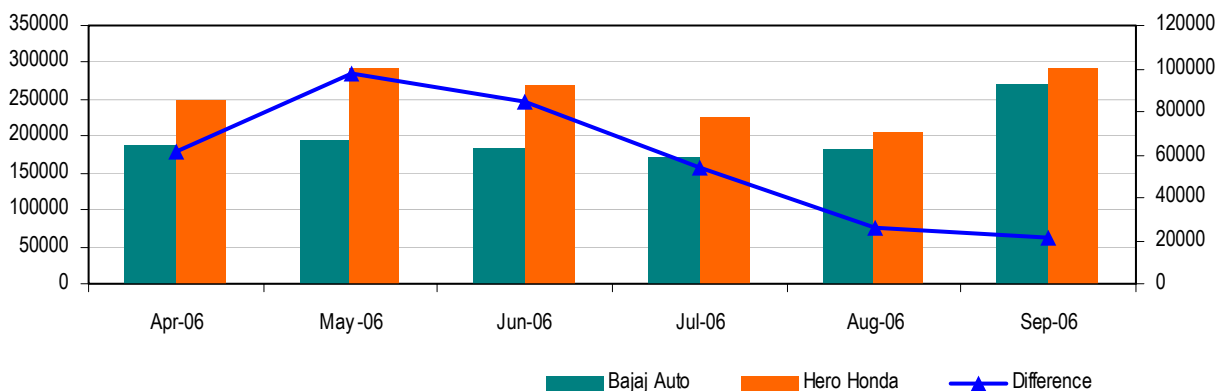
Competition is heating up between Hero Honda and Bajaj Auto

The two-wheeler segment sales have grown 26% YoY over September 2005 with the market share battle between Bajaj Auto and Hero Honda hotting up like never before. The battlelines are drawn between the two rivals in the two-wheeler segment this festive occasion. Bajaj Auto has pulled closer to Hero Honda in the number of motorcycles sold each month, raising the possibility of an imminent change in the leadership position in the world's second-largest bike market.

Bajaj Auto sold 271,377 motorcycles in September '06, a strong 50% YoY growth over the year-ago period. Hero Honda, which had dominated the industry until a year back has been showing signs of a slowdown in the sales. The company's motorcycle sales for the month at 292,386 units, registered a growth of 13% YoY. Though HHML's sales have picked up in the last month, against a continuous decline in July and August, the growth is much below that of Bajaj Auto. The sales figures for September show that the gap between the two rivals has now reduced to ~30,000 units a big drop from over 100,000 units a year ago.

Though it is difficult to predict the result of the intensifying battle between the two majors, it is evident that Bajaj Auto has been winning the monthly battle nevertheless.

Figure 1: Hero Honda vs Bajaj Auto – Sales gap narrowing



Source: SIAM; IDBI Capital Market Services

India's third largest two-wheeler manufacturer, TVS Motors has reported a stellar performance for the month of September 2006. The company has posted its highest ever monthly sales for a single month. The motorcycle sales for the company crossed the one lakh mark for the first time, thereby resulting in a substantial improvement in its motorcycle market share.

Going ahead, the sales are expected to grow due to the ongoing festive season. Over the medium term availability of finance, improved road infrastructure, rising income and favorable demographics will lead to a higher penetration of motorcycles in India. Replacement demand is also emerging as a strong growth driver. Further, the Govt.'s continued thrust on growth of rural economy is a positive for the two-wheeler companies, as 45-50% of their sales are from the rural segment.

Tata Motors Ltd. has reported a double digit growth in the domestic sales for September 2006. The total sales (including exports) at 49,157 units registered an impressive growth of 24% on YoY basis. However, the exports for the month declined by 14% on YoY basis.

Maruti Udyog Ltd. has reported an impressive performance in the passenger car segment with sales at 56,334 units, a growth of 22% YoY. The company's decision to stop exports of *Alto* to European countries has resulted in a fall in exports for the month of September 2006. The exports at 2,814 units registered a decline of 2% on YoY basis.

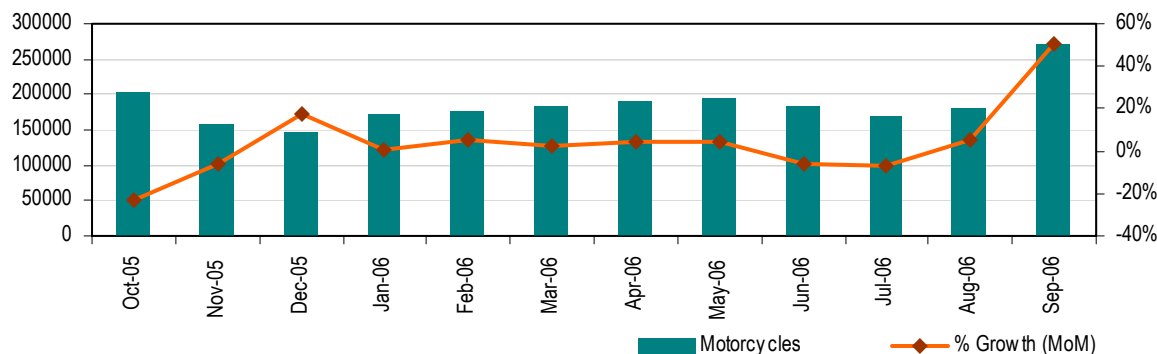
Mahindra & Mahindra has registered a strong growth in the tractor business for September 2006. The domestic tractor sales grew by 32% YoY, whereas the tractor exports for the month reported a robust growth of 167% on YoY at 729 units (273 units). The automobile segment has posted an impressive show for the month. The new *Scorpio* has been driving the sales for the company in the UV segment.

Bajaj Auto Ltd. – Winning the monthly battle



- Bajaj Auto (BAL) has registered impressive volumes growth for the month of September 2006.
- In growth terms, Bajaj Auto has once again managed to outpace Hero Honda by recording a strong growth of 38% YoY at 3,00,141 units during the month of September.

Figure 2: BAL – Motor Cycles Sales



Source: Company reports; IDBI Capital Market Services

- The cumulative sales for the period April-Sept.'06 posted a strong growth of 28% YoY, with sales at 1357621 units.
- In the motorcycle segment, Bajaj with sales at 271,377 units has registered a strong growth of 50% on YoY basis as against 180,926 units in the same period of the previous year.
- Bajaj motorcycle market share (estimated) scaled a new high of 37.9%.
- The stellar performance in the motorcycle segment can attributed to the improved product mix by the company.
- The *Discover-twins* in the executive segment and the *Pulsar-twins* in the executive segment have once again proved to be the major forces to drive ahead the fortunes for the company. The high end motorcycles – *Discover*, *Pulsar* and *Avenger* clocked sales of 121,521 units, constituting ~45% of the motorcycle sales.
- Bajaj Auto has recently slashed the prices of the two models of its 100cc entry-level *Platina* by Rs.2,000. Together with the CT100, Bajaj Auto sells 80,000 – 85,000 bikes a month in the entry segment, which is the fastest growing one for bikes.
- BAL plans to shortly roll out its upgraded *Pulsar* 180cc. The motorcycle will be priced at around Rs.60,000. the new bike will have at least half-a-dozen new features including an enhanced engine, a digital speedometer and the auto-glow system. The new launch is expected to further consolidate the company's market leadership in the premium segment.
- The Three-Wheeler segment with sales at 27,870 units registered a growth of 21% YoY as against 2,18,012 units in the same period of the previous month.
- On the exports front, the company with 37,088 shipments during the month has recorded a strong growth of 58% on YoY basis.

■ New technology to be incorporated in Bajaj Scooters

Bajaj Auto plans to launch two scooters in FY07 – *Crystal* and *Blaze*. *Crystal* will have features that are unheard of in the scooter industry. For the first time, BAL shall introduce its DTS-I (Digital Twin spark-ignition) technology for its forthcoming scooters. The company plans to introduce the *Crystal*, a 100cc scooter with the same technology. The scooter is likely to be launched by November-end. The *Blaze* is expected to be launched in the last quarter of the fiscal year 2006-07.

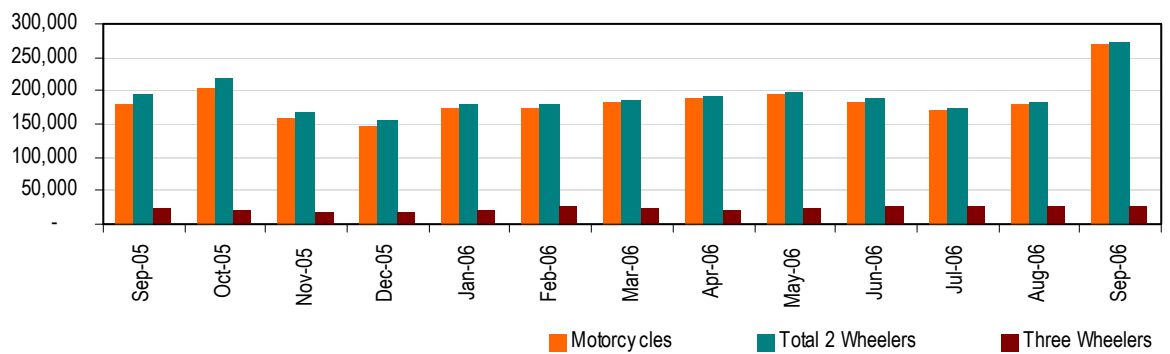
* DTS-I is a Bajaj patented technology.

Table 2: BAL – September Sales Nos.

Bajaj Auto	Sep-06	Sep-05	YoY (%)	YTD (Apr- Sep 2006)	YTD (Apr- Sep 2005)	YoY (%)
Motor Cycles	271,377	180,926	50	1,191,249	868,100	37
Total 2 Wheelers	272,271	194,894	40	1,206,063	937,396	29
3 Wheelers	27,870	23,118	21	151,558	121,796	24
Total Sales	300,141	218,012	38	1,357,621	1,059,192	28
Exports (out of the above)	37,088	23,463	58	210,110	112,406	87

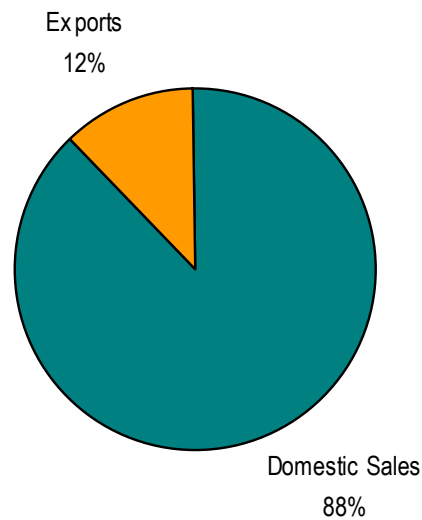
Source: Company reports

Figure 3: BAL – Monthly Sales



Source: Company reports; IDBI Capital Market Services

Fig. 4: Sales Composition



Source: Industry; ICMS

Hero Honda Motors Ltd. (HHML)



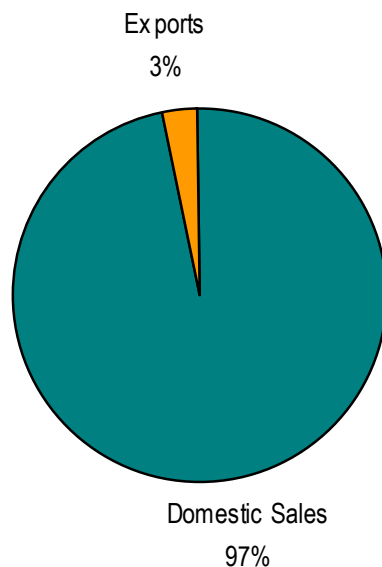
- Hero Honda, the 'World No. 1' two-wheeler company, has reiterated its undisputed leadership of the Indian two-wheeler industry by recording impressive sales numbers for the month of September 2006.
- The total sales for the month stood at 301,577 units, registering a growth of 13% on YoY basis when compared to 266,071 units clocked in the same month of the previous year.
- The company's cumulative sales for the period April-September 2006 have jumped to 15,84,59 units, a significant growth of 10.8% on YoY basis.
- The motorcycle sales at 292,386 units for the month witnessed an encouraging growth of 13% on YoY basis. This is in spite of the 15-day long *Shradh* period, during the month, which usually witnesses a fall in sales across the industry.
- On the exports front, HHML with 9,191 shipments registered a growth of 11.6% YoY when compared to 8,233 units exported during the same month of the previous year.
- Hero Honda Motors has recently announced a Rs.1,900cr investment in Haridwar along with its ancillaries for a new motorcycle plant. The plant will be operational by May 2007 with an initial capacity of 5 lac units, at an investment of approximately Rs.300cr. By 2010, the investment will go up to Rs.1,900cr in the new plant, achieving a capacity expansion of 15 lac units.

Table 3: HHML – September Sales Nos.

HHML	Sep-06	Sep-05	YoY(%)	YTD (Apr- Sep 2006)	YTD (Apr- Sep 2005)	YoY (%)
Domestic Sales	292,386	257,838	13	1,526,973	1,377,118	11
Exports	9,191	8,233	12	57,686	52,874	9
Total	301,577	266,071	13	1,584,659	1,429,992	11

Source: Company reports

Fig. 5: Sales Composition



Source: Industry; ICMS

Mahindra & Mahindra (M&M) – Riding high on tractor sales



Auto Sector

- The Auto segment of Mahindra & Mahindra has reported an impressive sales performance for the month of September 2006.
- The company's flagship Utility Vehicle – *Scorpio* has been driving the fortunes for the company in the Utility Vehicles segment. The recently launched version of *Scorpio* has been receiving a positive response in the market.
- The *Scorpio* model has clocked sales of 3,368 units for the month of September 2006, registering a growth of 6% YoY as against 3,164 units sold in same month of the previous year.
- The Utility Vehicles segment with sales of 11,017 units posted a growth of 6% on YoY basis.
- The Light Commercial Vehicle (LCV) segment has witnessed a marginal growth of 1% YoY with sales at 742 units (733 units).
- The Three-wheeler segment has yet again registered a stellar performance. The segment with sales 3,162 units posted a strong growth of 47% YoY when compared to 2,157 units sold in the same month of the previous year.
- On the exports front, the company with 1,055 shipments has registered a robust growth of 96% on YoY basis as against 539 units exported in September 2005.
- The total sales (Domestic + Exports) at 15,976 units grew by 15% YoY.
- M&M has entered the 7.5 tonne commercial vehicle segment with the launch of the *Tourister*, a 32-seater bus. The bus is an offering from Mahindra International Ltd. (MIL), and the latest variant of Mahindra's popular *Tourister* range of commercial vehicles.
- M&M has recently launched the new *Scorpio* in Kenya. The company has appointed a Kenyan company – Oriel Ltd. – to distribute the vehicle in the country. The new *Scorpio* SUV is being launched in Kenya with 40 changes and improvements.
- The company is betting big on the *Maxx Maxi*, which will roll out soon. The new model is intended to fill the niche between the large three-wheeler and the big pick-up vehicles. The company has simultaneously launched the *Bolero* Pick Up FB, a vehicle targeted at the higher end of the small-cargo transporting market.

Farm Equipment Sector

- Mahindra & Mahindra has posted an impressive performance in the farm equipment sector for the month of September 2006.
- The company sold 9,000 tractors during the month, registering a strong growth of 32% YoY when compared to 6,826 units sold in the corresponding month of the previous year.
- On the exports front, the farm equipment segment with 729 shipments has posted a robust growth of 167% on YoY basis as against 273 units exported in the same period of the previous year.
- The total tractor sales (domestic + exports) recorded an impressive growth of 37% on YoY basis (7,099 units).

Table 4: M&M – September Sales Nos.

M&M	Sep-06	Sep-05	YoY (%)
UV's (including Scorpio)	11,017	10,410	6
Scorpio	3,368	3,164	6
UV's w/o Scorpio	7,649	7,246	6
LCV's	742	733	1
Total 4 Wheelers	11,759	11,143	6
Three Wheelers (Champion)	3,162	2,157	47
Total (Dom.) Vehicles	14,921	13,300	12
Exports	1,055	539	96
Total Vehicles (Dom + Exp)	15,976	13,839	15

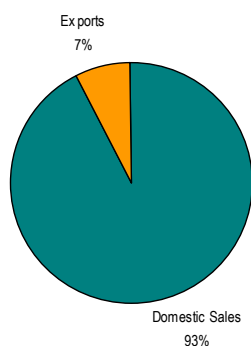
Source: Company reports

Table 5: M&M: September Sales Nos. – Farm Equipment Sector

M&M	Sep-06	Sep-05	YoY (%)
Tractor (Domestic)	9,000	6,826	32
Exports	729	273	167
Total Tractor (Dom + Exp)	9,729	7,099	37

Source: Company reports

Fig. 6: Sales Composition



Source: Industry; ICMS

Maruti Udyog Ltd. (MUL) – Sales heading northwards



- Maruti's total sales (domestic + exports) for the month of September 2006 grew by 21% YoY at 59,420 vehicles when compared to 49,278 vehicles sold in the same month of the previous year.
- The company's old warhorse *Maruti 800* with sales at 7,680 units for the month registered a growth of 3.5% YoY as against 7,423 units sold in the same month of the previous year. However, the cumulative sales of *Maruti 800* for the period April - September 2006 declined by 3% YoY at 20,145 units.
- In the domestic A2 segment, in which the company has positioned *Alto*, *Swift*, *Wagon R*, *Zen*, continued with its stellar performance registering a growth of 29% on YoY when compared with the same month of the previous year.
- The recently launched *Wagon R Duo* has met with an encouraging response from the 42 cities it is sold in across the country. The new model has been driving volumes in the A2 segment.
- The C segment (*Omni* and *Versa*) with sales at 7,289 units posted an encouraging growth of 21% YoY at 7,289 units as against 6,022 units in September 2005.
- The MUV segment sales declined by 16% YoY at 272 units when compared to 324 units sold in the same period of the previous year.
- The total domestic sales grew by 22% on YoY basis with sales at 56,606 units.
- On the exports front, Maruti Udyog with 2,814 shipments has reported a decline by 2.5% YoY as against 2,885 vehicles exported in September 2005.
- MUL has stopped exports of its largest selling car, *Alto* to Europe after its parent company, Suzuki started to export *Swift* from its Hungarian plant to other European countries. The steady decline in exports is mainly because *Alto* constitutes nearly 80% of the company's total exports. Maruti is now trying to increase exports to non-European countries in West Asia, Latin America and even to Sri Lanka..

Table 6: MUL – September Sales Nos.

MUL	Sep-06	Sep-05	YoY (%)
Passenger Cars	56,334	46,069	22
MUV's	272	324	(16)
Total Domestic Sales	56,606	46,393	22
Exports	2,814	2,885	(2)
Total Sales	59,420	49,278	21

Source: Company reports

Figure 7: MUL – Segmentwise sales

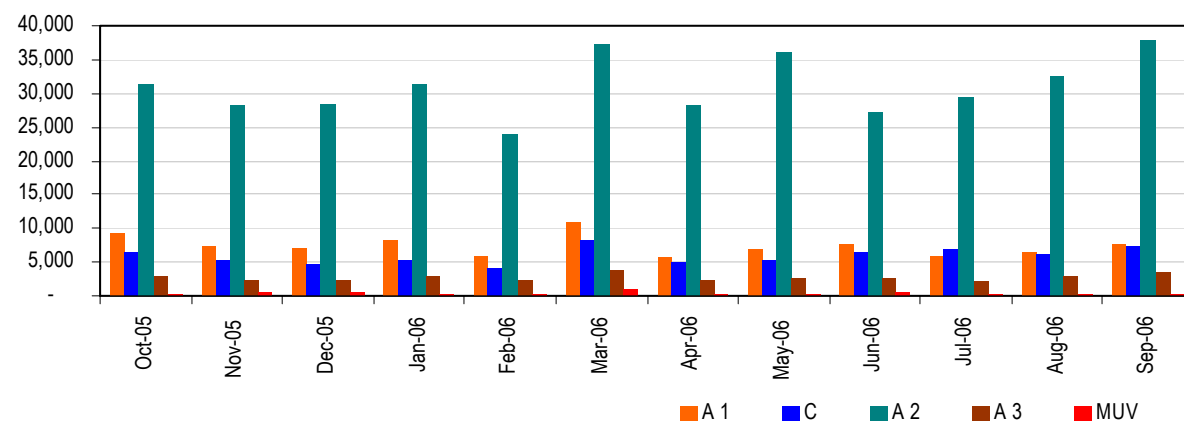
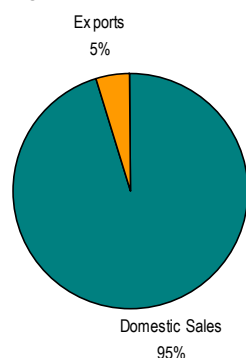


Fig. 8: Sales Composition



Source: Industry; ICMS

A1 - Maruti 800; A2 - Alto/Wagon R/Zen/Swift; A3 - Baleno/Esteem; C - Omni/Versa; MUV - Gypsy/Vitara

Source: Company reports

Tata Motors (TML)



- Tata Motors has posted impressive sales figures for the month of September 2006
- The total sales (including exports) witnessed a growth of 24% YoY with sales at 49,157 units as against 39,707 units sold in the corresponding month of the previous year.
- The cumulative sales for the period April- September 2006 at 265,829 units grew by 36% on YoY basis.

Commercial Vehicles

- The Commercial Vehicles segment with sales at 26,627 units registered a growth of 40% YoY when compared to 19,087 units in the same month of the previous year.
- The M&HCV segment sales stood at 15,193 units, a growth of 34% YoY over September 2005.
- The Light Commercial Vehicles segment sales at 11,434 units registered an impressive growth of 47% on YoY basis.

Passenger Vehicles

- The passenger vehicle business reported a total sale of 18,609 vehicles in the domestic market, an increase of 15.7% over September 2005.
- The Indica sold 10,694 units, a growth of 11% on YoY basis.
- The encouraging response received by the facelifted version of Indigo has helped the Indigo family register an impressive growth of 6% YoY with sales at 3,568 units.
- The *Sumo* and *Safari* accounted for sales of 4,347 units, a growth of 42% over September 2005. *Safari* registered its highest ever sales of 1,543 units in September 2006.

Exports

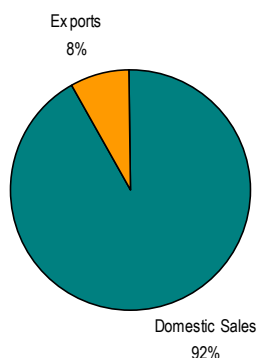
- TML has taken a hit on the exports front. The company with 3,921 shipments during the month reported a decline of 14% YoY when compared to 4,542 units exported in the same month of the previous year.
- The cumulative sales from exports during the period April - September 2006 stood at 27,163 units, posting a growth of 17.6% on YoY basis.

Table 7: Tata Motors – September Sales Nos.

Tata Motors	Sep-06	Sep-05	YoY (%)
Passeneger Vehicles	14,262	13,023	10
UV's	4,347	3,055	42
M & HCV	15,193	11,331	34
LCV	11,434	7,756	47
CV	26,627	19,087	40
Total Domestic Sales	45,236	35,165	29
Exports	3,921	4,542	(14)
Total	49,157	39,707	24

Source: Company reports

Fig. 9: Sales Composition



Source: Industry; ICMS

TVS Motor Co. Ltd. (TVS) – Stellar performance



- TVS Motor Company has reported its highest ever-sales performance for a single month. The company has been outperforming the industry growth since April 2006, thereby resulting in a substantial improvement in its motorcycle and its overall two-wheeler market share.
- The motorcycle sales at 106,792 units have crossed the 1 lac mark for the first time in the month of September, recording a strong growth of 42% YoY as against 75,310 units in the corresponding month of the previous year.
- The strong growth in the motorcycles segment is attributed to the continued demand in the last month's top selling brand in the economy segment, TVS *StaR City* and the number two brand in the Premium segment, TVS *Apache*.
- The company has recently unveiled TVS *StaR City Electric Start* (ES) version to its dealers and has begun its supplies to key markets. TVS *StaR City ES* is the first 100cc motorcycle with electric start making it the most affordable motorcycle considering its features.
- TVS *Scooty* range has continued with its impressive performance. The un-gearred scooterette range clocked sales of 24,890 units, a growth of 10% on YoY basis (22,697 units).
- The recent launch of pink colour *Scooty Pep*, part of the fashion series, has attracted a great deal of interest among girls. The company intends to bring out unique options to the customer where they could choose their own colour.
- On the exports front, the company with 10,339 shipments has once again registered an impressive growth of 38% YoY when compared to 7,492 units in the corresponding month of the previous year.
- TVS is the third-largest motorcycle maker with a market share of ~13.5%. It dominates the mopeds market with a market share of ~93%. Its scooters segment has a ~29% market share.

■ TVS, Colombian firm in JV

TVS Motors has recently picked up 26% stake to form a new joint venture company with Colombian firm for assembling two-wheelers such as scooterettes and high-end motorcycles, including *Apache*.

The company will export the motorcycles in the form of completely knocked down units (CKD) kits, which will be assembled in Columbia by the JV. Key components and engines will also be shipped to the region before going for localization.

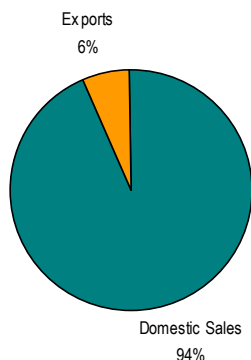
This JV shall help TVS Motors to strengthen its foothold in the South American countries such as Columbia, Peru, Equador and Venezuela.

Table 8: TVS – September Sales Nos.

TVS	Sep-06	Sep-05	YoY (%)
Motor Cycles	106,792	75,310	42
Scooterette	24,890	22,697	10
Mopeds	20,179	15,609	29
Total Sales	162,200	121,108	34
Exports (out of the above)	10,339	7,492	38

Source: Company reports

Fig. 10: Sales Composition



Source: Industry; ICMS

Hyundai Verna drives in to India

Hyundai Motor India has recently launched its all-new *Verna*. The car combines international styling, power packed performance, luxurious interiors and high-end safety features. The *Verna* is all set to boost the already formidable Hyundai's line up of products in India.

The *Verna* with its fresh looks and a distinctively sporty styling is all about a sedan which is new, elegant, practical and safe. The sleek exterior styling of the *Verna* is contemporary and very European in design with neat and well proportioned lines, a harmonic frontal treatment, with an integrated full width lower air dam which has been specifically tailored to reflect all around symmetry. The forward placed trapezoidal radiator grill with tasteful use of chrome adds a warm touch to the front end styling while blending perfectly into the hood and bumper configuration, making them unique front styling elements of *Verna*.



Technical Specifications:

■ Engine Transmission

Technology: VTVT – Variable Timing / CRDI with Variable

Valve & Cam arrangement: 16V – DOHC

Displacement: 1599cc (Petrol) / 1493cc (Diesel)

Transmission: 5 Speed Manual

■ Dimensions

Overall Length x Width x Height (mm): 4310 x 1695 x 1490

Wheelbase: 2500mm

Ground Clearance: 170mm

Fuel Tank Capacity: 45 litres

■ Price

Verna I (Petrol): Rs.652,013

Verna XI (Petrol): Rs.667,740

Verna XXI (Petrol): Rs.727532

Verna CRDI VGT: Rs.771,679

News Snippets

Bajaj to re-launch un-g geared scooters

Two-wheeler major Bajaj Auto Ltd., which discontinued production of its only un-g geared scooter Wave, will re-enter the segment with a set of un-g geared scooters ranging from 75-125 cc in the first quarter of the next fiscal.

Mahindra & Mahindra to Rev up Scorpio via new engine

M&M will shortly come out with a new 2.2 CRDe engine-powered Scorpio. The new engine, also known as Eagle, is learnt to progressively replace its existing 2.6 CRDe engine. The company is sourcing the critical technology for the new engine from Bosch.

The high-tech Eagle is a four-valve per head, turbo diesel engine that is also expected to power the company's upcoming multi-purpose vehicle Ingenio to be launched in 2008.

Mitsui, Toyota to combine forces

Foreign direct investment (FDI) proposals in the retail which till date has been limited to niche luxury brands like Lladro and Louis Vuitton is getting broadbased to sectors like auto retailing. One of the world's largest trading groups Mitsui is setting up a joint venture for retailing of Toyota brand cars in India.

As a part of the deal, Mitsui will set up retail outlets apart from after-sales and other support services. A 51:49 JV with logistics major TCI India, under Bussan TCIL Automotive India, will be engaged in retail trading of Toyota cars in India.

TVS working on Gas-powered Bikes

After carmakers, it is now bikemakers' turn to line up CNG and LPG variants of their existing models. The country's third largest two-wheeler company TVS Motor Company is working on gas-powered bikes for different segments of the market. In April this year Bajaj Auto has announced it would launch dual-fuel two-wheelers, which would have the option of running on petrol, apart from CNG and LPG in the next 12 months.

Suzuki seeks SEZ status for project with Nissan

Suzuki has approached the government demanding SEZ treatment for its proposed manufacturing project in collaboration with Nissan. The project envisages an investment of \$730m and will bring in new capacities of 5 lakh cars annually. The project will export over 3.4 lakh cars valued at over \$3bn annually.

Volkswagen to set up plant at Chakan

Volkswagen has reached an agreement with the Maharashtra government to locate its Indian Greenfield manufacturing plant at Chakan, Pune. It will invest Rs.25bn in the facility and will initially manufacture small cars for the market. Production is set to start by November 2007.

Toyota, Honda to launch small car in India

Toyota Kirloskar Motors and Honda Motors plans to launch small cars in India for expanding product portfolio and grab the booming small car market segment.

GM to set up second manufacturing plant in India

General Motors has charted out plans to invest Rs.12.5bn to set up a Greenfield export oriented production facility in Maharashtra with a capacity of 100,000 cars.

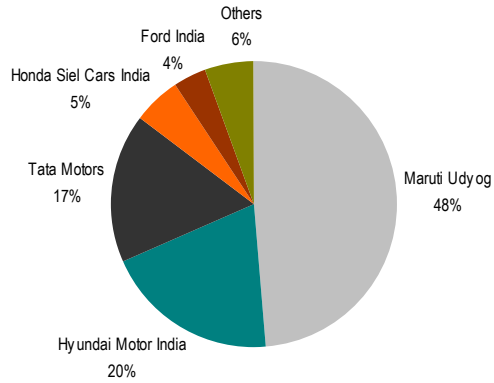
Hyundai to set up R&D center in Chennai

Hyundai Motors has chalked out plans to set up a R&D center in Chennai within the next 2 years. This will provide the company with a global template solution for its IT support as well as the demand chain.

Market Share Analysis (April-August 2006)

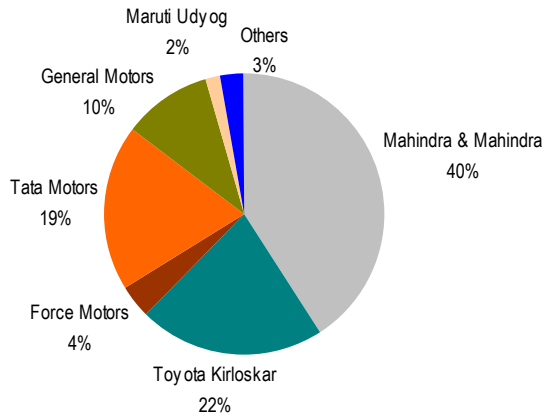
Passenger Vehicles

Figure 11: Passenger Cars



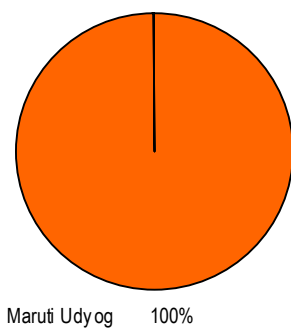
Source: SIAM; IDBI Capital Market Services

Figure 12: Utility Vehicles



Source: SIAM; IDBI Capital Market Services

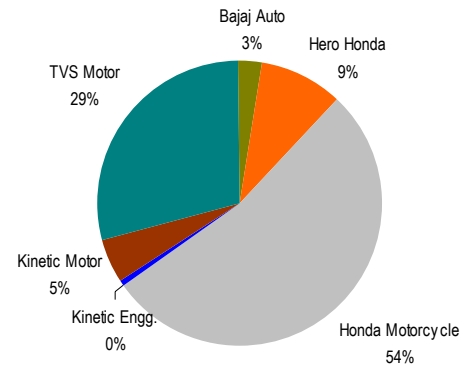
Figure 13: Multi Purpose Vehicles



Source: SIAM; IDBI Capital Market Services

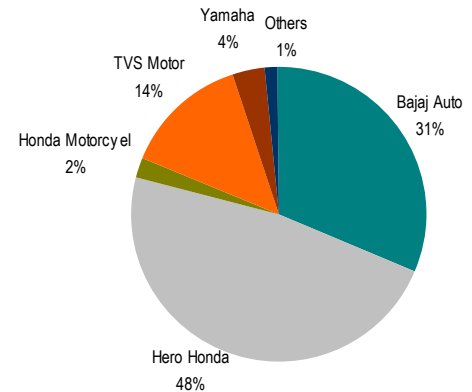
Two-wheelers

Figure 14: Scooters



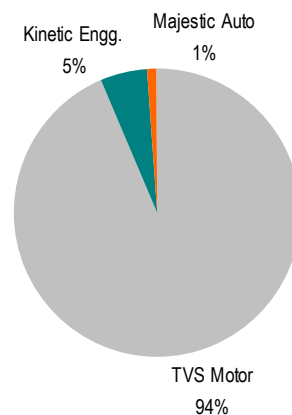
Source: SIAM; IDBI Capital Market Services

Figure 15: Motorcycles/Step Throughs



Source: SIAM; IDBI Capital Market Services

Figure 16: Mopeds

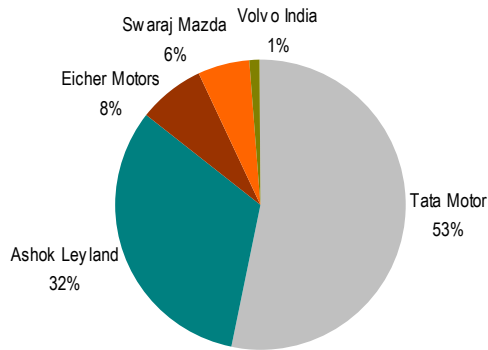


Source: SIAM; IDBI Capital Market Services

Market Share Analysis (April-August 2006)

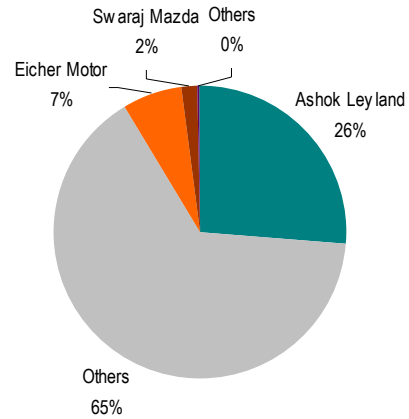
M&HCVs

Figure 17: Passenger Carrier



Source: SIAM; IDBI Capital Market Services

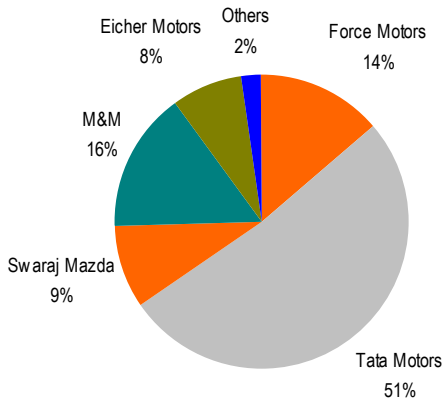
Figure 18: Goods Carrier



Source: SIAM; IDBI Capital Market Services

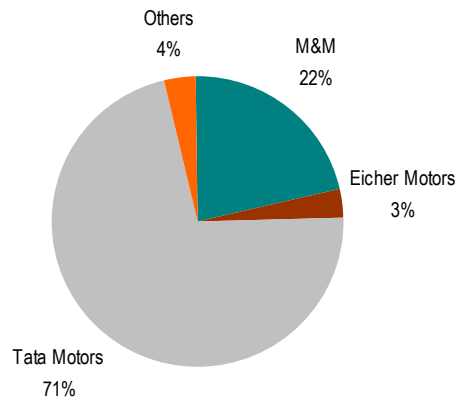
LCVs

Figure 19: Passenger Carrier



Source: SIAM; IDBI Capital Market Services

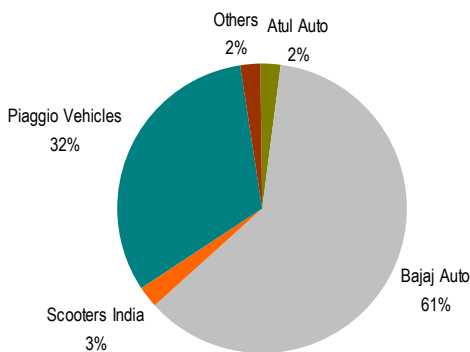
Figure 20: Goods Carrier



Source: SIAM; IDBI Capital Market Services

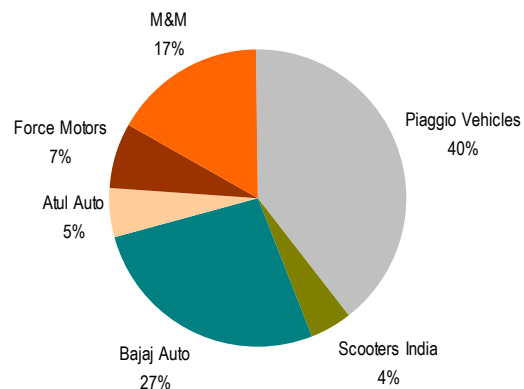
Three-wheelers

Figure 21: Passenger Carrier



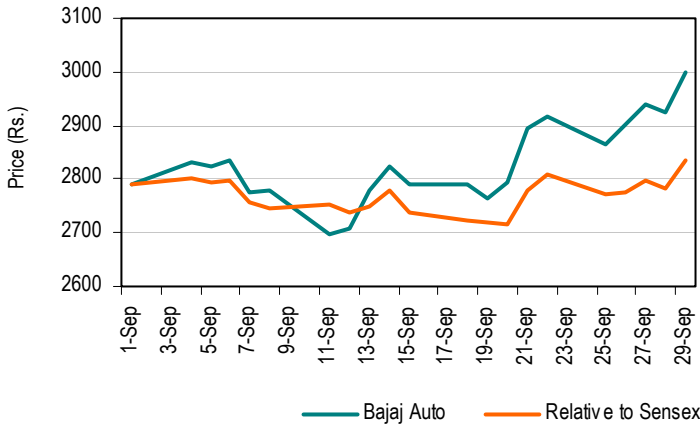
Source: SIAM; IDBI Capital Market Services

Figure 22: Goods Carrier



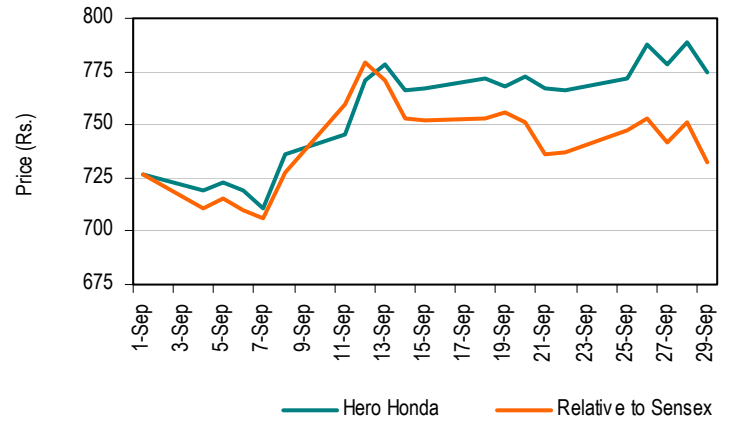
Source: SIAM; IDBI Capital Market Services

Figure 23: Bajaj Auto vs. Relative to Sensex



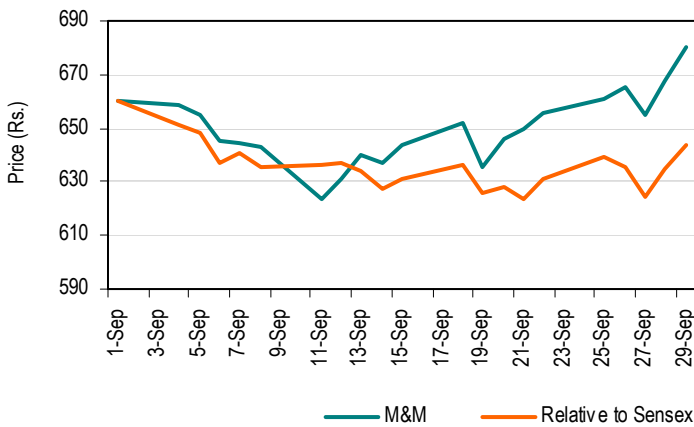
Source: Capitaline; ICRA

Figure 24: Hero Honda vs. Relative to Sensex



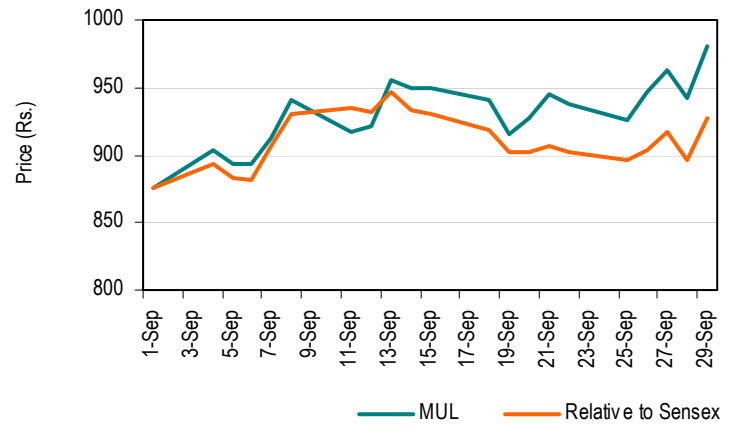
Source: Capitaline; ICRA

Figure 25: Mahindra & Mahindra vs. Relative to Sensex



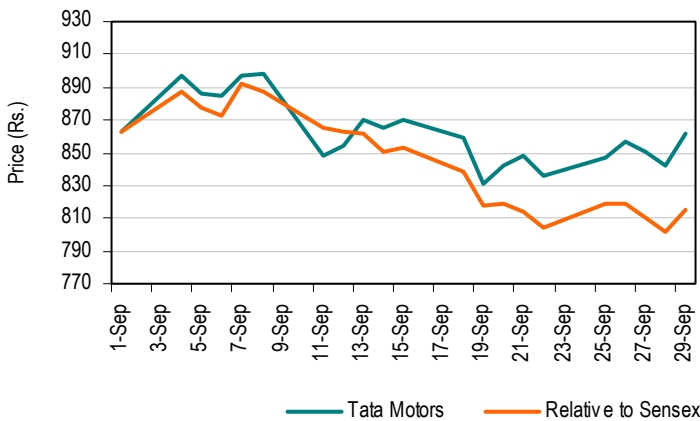
Source: Capitaline; ICRA

Figure 26: Maruti Udyog vs. Relative to Sensex



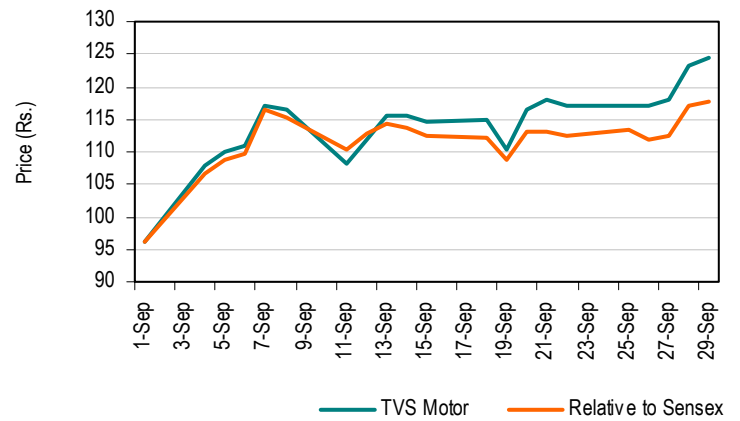
Source: Capitaline; ICRA

Figure 27: Tata Motors vs. Relative to Sensex



Source: Capitaline; ICRA

Figure 28: TVS Motor vs. Relative to Sensex



Source: Capitaline; ICRA

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