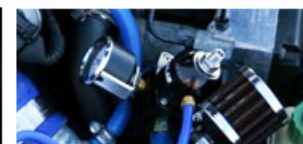


## AUTO SECTOR UPDATE | MONTHLY



### OUR REPORTS

#### Fundamental

- Company Report
- Sector Report
- Theme Based Report

#### Daily & Weekly

- Fundamental Market Update
- Technical Market Update
- Derivative Market Update
- Currency Report
- Debt Mutual Fund Report

#### Monthly

- India Strategy Report
- IIP Report
- Auto Sector Update
- Cement Sector Update
- Metal Sector Update
- Telecom Sector Update
- Insurance and Mutual Fund Report
- Inflation Report
- Exports-Imports Report

#### Quarterly

- India and Global Strategy Report
- India Economy Report
- Company Result Expectation
- Company Result Analysis

#### Others

- Event Based Report
- RBI Monetary Review Report
- Annual Budget Expectation Report
- Annual Budget Review Report

February 04, 2013

Saroj Singh

Email: [ssingh2@microsec.in](mailto:ssingh2@microsec.in)

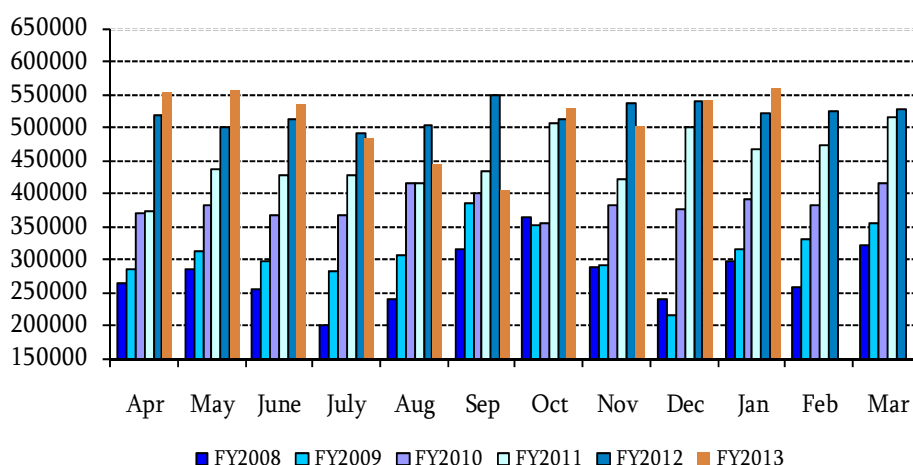
During the month of January 2013, sales of Indian automobile sector remained mixed as the headwinds persist in the form of sluggish market conditions, high interest rate and diesel price de-regulation. Where, Maruti Suzuki, followed by Hero MotoCorp and Ashok Leyland showed some signs of revival, companies like Tata Motors continued its downward trend.

## Hero MotoCorp (HMCL)

Hero MotoCorp reported a growth of 7.21% in its sales volume in January, 2013, over the same month of last year.

- Hero MotoCorp, reported total sales of 557,797 units in the month of January, 2013, registering a growth of 7.21% over the corresponding month in 2012, when the company had sold 520,272 units.
- On MoM basis also, company's total sales increased by 2.99% .
- However, cumulative sales of HMCL for the period, April-January of FY2012-13, declined by 1.49% to 5,106,029 units against 5,183,450 units, during the same period of last year.

**Exhibit1: Trend in Hero MotoCorp sales**



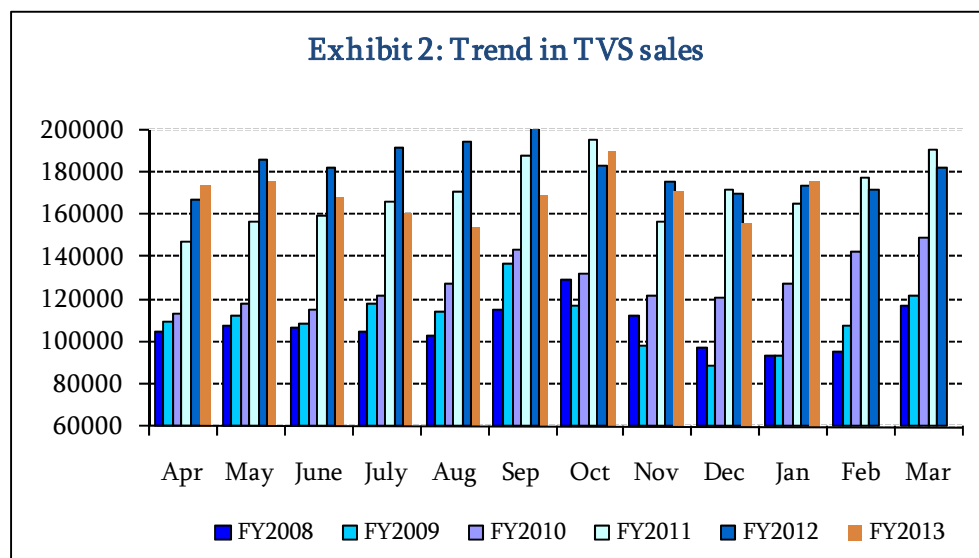
Source: Company, Microsec Research

## TVS Motor (TVS)

TVS Motors reported a growth of 1.39% in its sales volume in January, 2013 over the same month of last year.

- TVS Motor Company, registered total sales of 175,931 units in January, 2013, compared to 173,514 units in the corresponding month of the previous year, hence, showing a growth of 1.39%. On monthly basis also, the company reported a growth of 12.62%.
- Two-wheeler (including exports) sales of the company increased by 0.23% YoY for the month of January, 2013, to 171,513 units against 171,112 units in the year-ago period.
- However, sales of motorcycle decreased by 1.60% YoY and sales of Scooters decreased by 8.49% YoY.
- Company's total exports increased by 11.35% to 20,723 units from 18,610 units in the same month of previous year.
- Collective sales of the company for the period, April-January of FY2012-13, declined by 7.81% to 1,699,586 units against 1,843,554 units during the same period of last year.

**Exhibit 2: Trend in TVS sales**



Source: Company, Microsec Research

**Exhibit 3: Hero MotoCorp and TVS Motors**

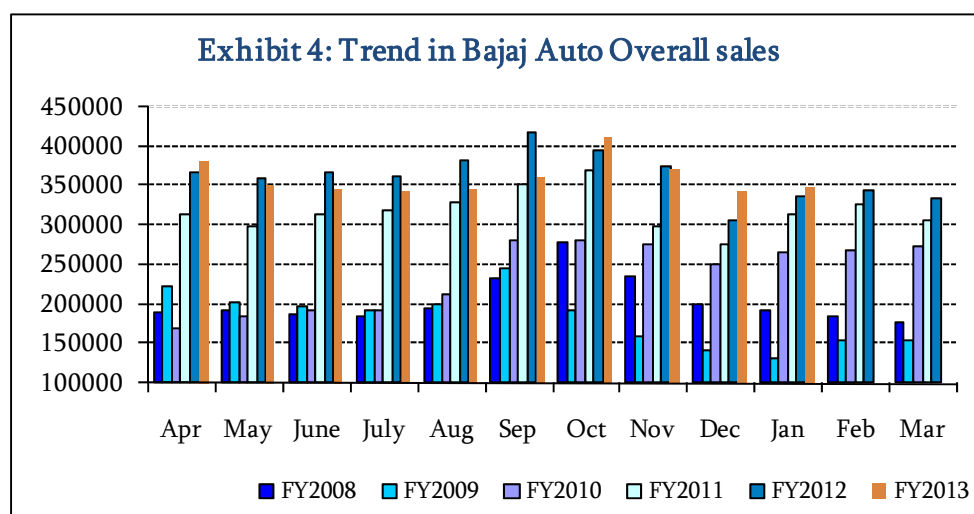
Company/Segment	January			December		YTD		
	2013	2012	%chg	2012	%chg	FY2013	FY2012	%chg
Hero MotoCorp	557,797	520,272	7.21	541,615	2.99	5,106,029	5,183,450	(1.49)
TVS Motors	175,931	173,514	1.39	156,221	12.62	1,699,586	1,843,554	(7.81)

Source: Company, Microsec Research

## Bajaj Auto (BAL)

- Bajaj Auto, registered total sales of 347,624 units in January, 2013, compared to 337,875 units in the corresponding month of the previous year, hence, showing a growth of 2.89%. The company reported a growth of 1.07% on MoM basis.
- For the month of January, 2013, BAL's motorcycle sales increased by 2.35% YoY to 301,361 units and three-wheeler commercial vehicle sales increased by 6.51% YoY to 46,263 units.
- During the month BAL's Exports increased by 9.82% YoY to 128,482 units.
- Cumulative sales of the company for the period, April-January of FY2012-13, decreased by 1.82% to 3,603,544 units against 3,670,268 units during the same period of last year.

In January, 2013, Bajaj Auto's total sales increased by 2.89% YoY to 347,624 units. On monthly basis, sales increased by 1.07%.



Source: Company, Microsec Research

## Exhibit 5: Bajaj Auto

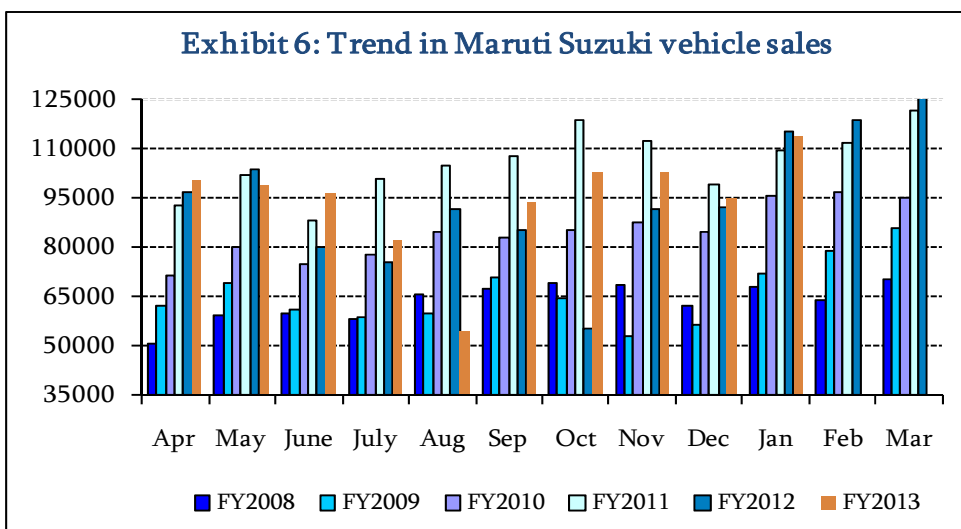
Segment	January			December		YTD		
	2013	2012	%chg	2012	%chg	FY2013	FY2012	%chg
MOTORCYCLES	301,361	294,439	2.35	298,350	1.01	3,198,771	3,231,596	(1.02)
3 WHEELERS	46,263	43,436	6.51	45,596	1.46	404,773	438,672	(7.73)
<b>2&amp;3 WHEELERS</b>	<b>347,624</b>	<b>337,875</b>	<b>2.89</b>	<b>343,946</b>	<b>1.07</b>	<b>3,603,544</b>	<b>3,670,268</b>	<b>(1.82)</b>
Export (Out of Above)	128,482	116,996	9.82	126,016	1.96	1,310,634	1,349,406	(2.87)

Source: Company, Microsec Research

## Maruti Suzuki (MSL)

Maruti Suzuki reported a decline of 1.06% YoY in total sales volume to 114,205 units in January, 2013.

- Sales volume of Maruti Suzuki stood at 114,205 units in January, 2013 against 115,433 units in the same month of last year, registering a decreased of 1.06% YoY. However, on MoM basis sales increased by 20.03%.
- Sales volume in the Mini segment registered a decline of 10.68% on YoY basis.
- Sales in Mid Size Segment decreased by 47.81% on YoY basis.
- While, sales of PV Super Compact segment increased by 97.52% on YoY basis, sales of PV compact segment decreased by 6.79% on YoY basis.
- Cumulative sales of the company for the period, April-January of FY2012-13, increased by 5.98% to 941,930 units against 888,794 units, during the same period of last year.



Source: Company, Microsec Research

## Exhibit 7: Maruti Suzuki

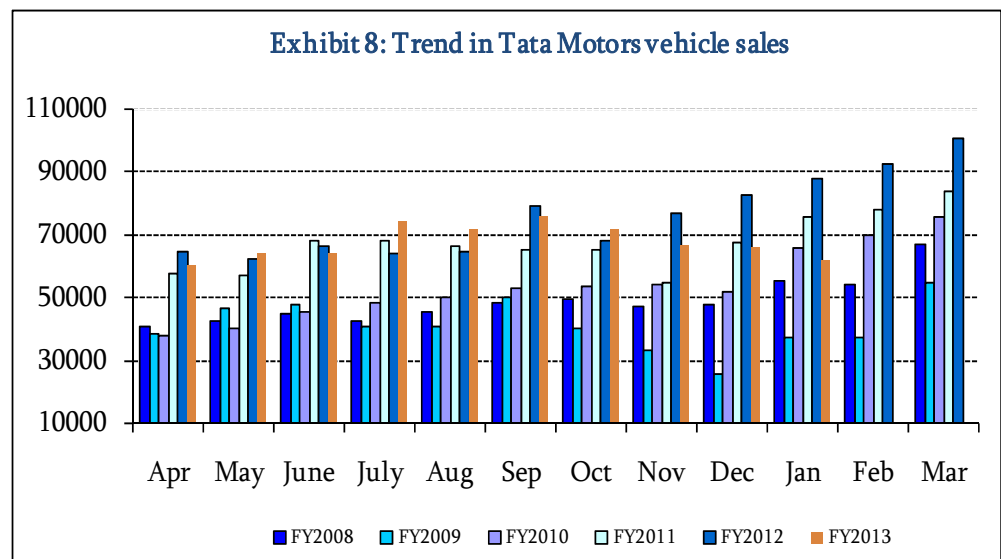
Segment	January			December		YTD		
	2013	2012	%chg	2012	%chg	FY2013	FY2012	%chg
A: PV Mini (M800, Alto, A-Star, WagonR)	46,479	52,036	(10.68)	32,797	41.72	343,211	389,459	(11.87)
A: PV Compact (Swift, Estilo, Ritz)	24,006	25,756	(6.79)	22,482	6.78	205,413	179,942	14.16
A: PV Super Compact (Dzire)	17,060	8,637	97.52	13,076	30.47	131,177	78,613	66.86
A: PV Mid-Size (SX4)	1,012	1,939	(47.81)	329	207.60	5,589	14,444	(61.31)
A: PV Executive (Kizashi)	0	9	(100.00)	45	(100.00)	186	396	(53.03)
A: Total Passenger Vehicles	88,557	88,377	0.20	68,729	28.85	685,576	662,854	3.43
B: Utility Vehicles (Gypsy, Grand, Vitara)	6,095	231	2538.53	5,447	11.90	66,747	4,765	1300.78
C: Vans (Omni, Eeco)	8,374	12,439	(32.68)	7,897	6.04	92,878	118,320	(21.50)
Domestic	103,026	101,047	1.96	82,073	25.53	845,201	785,939	7.54
Exports	11,179	14,386	(22.29)	13,072	(14.48)	96,729	102,855	(5.96)
<b>Total Sales</b>	<b>114,205</b>	<b>115,433</b>	<b>(1.06)</b>	<b>95,145</b>	<b>20.03</b>	<b>941,930</b>	<b>888,794</b>	<b>5.98</b>

Source: Company, Microsec Research

## Tata Motors (TML)

Tata Motors reported a decline of 29.50% YoY in total sales volume to 61,660 units in January, 2013.

- Total sales of Tata Motors stood at 61,660 units in January, 2013, showing a decline of 29.50% on YoY basis. On MoM basis also, sales decreased by 5.98%.
- TML's M&HCV sales volume declined by 52.44% YoY basis and 11.60% on MoM basis to 8,722 units. On the other hand, LCV sales increased by 23.65% YoY but declined by 10.09% MoM to 33,849 units. As a result, overall CV sales volume declined by 6.87% on YoY basis to 42,571 units. On MoM basis also sales declined by 10.41%.
- Passenger car sales volume decreased by 56.13% on YoY basis to 15,209 units. Sumo/Safari/ Aria/ Venture sales declined by 34.58% on YoY basis to 4,017 units .
- Company's sales from exports stood at 3,880 units in January, 2013 compared to 7,083 units last year, registering a decline of 45.22%.
- Cumulative sales of the company for the period, April-January of FY2012-13, decreased by 5.44% to 675,410 units against 714,235 units during the same period of last year.



Source: Company, Microsec Research

## Exhibit 9: Tata Motors

Segment	January			december		YTD		
	2013	2012	%chg	2012	%chg	FY2013	FY2012	%chg
M&HCV	8,722	18,338	(52.44)	9,866	(11.60)	117,900	165,705	(28.85)
LCV	33,849	27,375	23.65	37,649	(10.09)	315,041	254,340	23.87
Total Commercial Vehicles	42,571	45,713	(6.87)	47,515	(10.41)	432,941	420,045	3.07
Utility Vehicles	4,017	6,140	(34.58)	2,928	37.19	41,166	42,354	(2.80)
Cars	11,192	28,529	(60.77)	11,257	(0.58)	158,020	199,540	(20.81)
Total Passenger Vehicles	15,209	34,669	(56.13)	14,185	7.22	199,186	241,894	(17.66)
Exports	3,880	7,083	(45.22)	3,882	(0.05)	43,283	52,296	(17.23)
<b>Total Sales</b>	<b>61,660</b>	<b>87,465</b>	<b>(29.50)</b>	<b>65,582</b>	<b>(5.98)</b>	<b>675,410</b>	<b>714,235</b>	<b>(5.44)</b>

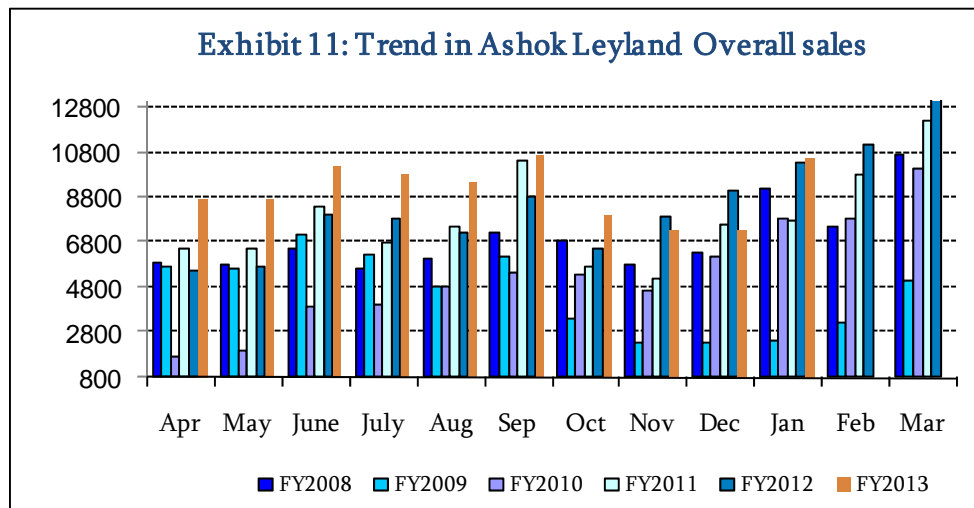
Source: Company, Microsec Research

## Ashok Leyland (AAL)

Ashok Leyland reported a growth of 2.53% YoY in total sales volume to 10,561 units in January, 2013.

- During the month of January, total sales of Ashok Leyland stood at 10,561 units, registering a growth of 2.53% YoY. On monthly basis also, sales increased by 44.69%.
- During January, sales of Ashok Leyland's MHCV decreased by 25.40% to 6,863 units from 9,200 units in the same month of 2012.
- The company sold 3,698 units of SCV in January, 2013 against 1100 units in January last year.
- Cumulative sales of the company for the period, April-January, of FY2012-13, increased by 18.17% to 90,546 units against 76,621 units during the same period of last year.

**Exhibit 11: Trend in Ashok Leyland Overall sales**



Source: Company, Microsec Research

**Exhibit12 :Ashok Leyland Limited**

Segment	January			December		YTD		
	2013	2012	%chg	2012	%chg	FY2013	FY2012	%chg
MHCV	6,863	9,200	(25.40)	5,230	31.22	62,955	72,821	(13.55)
SCV	3698	1100	236.18	2069	78.73	27,591	3800	626.08
<b>Total Sales</b>	<b>10,561</b>	<b>10,300</b>	<b>2.53</b>	<b>7,299</b>	<b>44.69</b>	<b>90,546</b>	<b>76,621</b>	<b>18.17</b>

Source: Company, Microsec Research



- Investment Banking
- Equity, Commodity & Currency Broking
- Wealth Management
- Insurance Broking
- Club Kautilya
- prpsolutions.com



# accountable... answerable, always



## Kolkata

Investment Banking  
Azimganj House, 2nd Floor,  
7, Camac Street, Kolkata- 700 017, India  
Tel.: 91 33 2282 9330, Fax: 91 33 2282 933

Brokerage and Wealth Management  
Shivam Chambers, 1st Floor,  
53, Syed Amir Ali Avenue, Kolkata- 700 019, India  
Tel.: 91 33 3051 2100, Fax: 91 33 3051 20205

## Mumbai

42A & 74A, Mittal Tower,  
4th & 7th floor 210, Nariman Point,  
Mumbai- 400 021, India  
Tel.: 91 22 2285 5544, Fax: 91 22 2285 5548

## New Delhi

417, World Trade Centre, 4th Floor, Babar Road,  
Connaught Place, New Delhi- 110 001, India  
Tel.: 91 11 4152 8152



E-mail: [info@microsec.in](mailto:info@microsec.in) Website: [www.microsec.in](http://www.microsec.in)

## Disclaimer

The investments discussed or recommended in this report may not be suitable for all investors. Investors should use this research as one input into formulating an investment opinion. Additional inputs should include, but are not limited to, the review of other. This is not an offer (or solicitation of an offer) to buy/sell the securities/instruments mentioned or an official confirmation. Microsec Capital Limited is not responsible for any error or inaccuracy or for any losses suffered on account of information contained in this report. This report does not purport to be offer for purchase and sale of share/ units. We and our affiliates, officers, directors, and employees, including persons involved in the preparation or issuance of this material may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation discussed herein or act as advisor or lender I borrower to such company (ies) or have other potential conflict of interest with respect to any recommendation and related information and opinions. The same persons may have acted upon the information contained here. No part of this material may be duplicated in any form and/or redistributed without Microsec Capital Limited' prior written consent.